

strategy

bold vision **brand** new ideas

WORD FROM THE CORNER OFFICE

YOICHI TOMIHARA

GROWS **TOYOTA'S** ECO FLEET,
DRIVING **BIG AUTO** TO A
GREENER FUTURE

BRAND OF THE YEAR

DOVE CHANGES THE FACE OF ADVERTISING

+ **SCOTIABANK'S**
RETURN ON ENTERTAINMENT
LUXURIOUS **LEXUS** MOMENTS
HOLT'S HAUTE RETAILING
LUMINOUS **L'OREAL'S**
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inside the **December 2007** issue

VOLUME 19 ISSUE 5



17 ◀ BIZ

Toyota: cars with personality, company with a philosophy



51 ▲ BOY

Canada on the global stage

On the cover

We considered an *anime* concept for our Toyota "Word from the Corner Office" cover, but despite the automaker's strong sales performance, we felt the real superhero efforts were more eco- than *Transformers*-inspired. Thus, the tree.

Toyota Canada CEO Yoichi Tomihara's passion is the company's commitment to hybrid technology and local environmental efforts like its Learning Grounds program with Evergreen. To encapsulate his slogan – nay, mission – of making things better, Tomihara posed with the sapling for Toronto photog Paul Perrier at Toyota's in-house studio during our visit to the Toronto HQ. It conveniently overlooks the 401, providing a real-time reality check on the opportunity for greening the market and perhaps the ultimate *kaizen* spur to further Toyota's dream of spreading hybrid technology all over the world.



6 editorial

New models, new mindsets, and border-crossing ambitions for 2008.

10 upfront

CanWest honeymoons with **Sunquest**; **Canada Post** goes virtual; **Leo B** staffers sprout 'staches for charity; **Expedia** recruits fast talkers; and **Virgin Mobile** wants you to hold.

14 creative

WSIB's burning message by **Draft FCB** is purposefully painful; **DDB Tribal** brands bread (literally) for **First United Church Mission**; **Publicis' Wal-Mart** ads poke fun at holiday mishaps.

17 biz

Toyota Canada takes Big Auto to school with its winning go-to-market mix of innovation, education and engagement.

26 who to watch

Eric Petersen flexes his marketing muscles to keep retailer **Lululemon** in a good position.

28 deconstructed

Can suburban **M&M Meats** work its Uptown format downtown?

29 media

In part one of a series on social media, **RBC**, **TD**, **Scotiabank** and **Vancity** find ways to make friends in the Web 2.0 world.

34 what next

Get mileage out of airport security tray ads; shop the world for creative talent without leaving your desk.

51 brands of the year

From consumer insight to connection, see who's getting it right.

73 tribute

As **Dove** turns 50, we look at how the brand has raised the (beauty) bar over five tumultuous decades.

82 AOY in pictures

strategy's party of the year: who hung with whom, and what they took home.

84 forum

Greenwatch columnist **Ian Morton** exhorts marketers to take CSR beyond the rhetoric; **ICA** chair **Brett Marchand** champions home-grown advertising with a (reasonable) Brand Canada rant.

86 back page

Our Ad Women give *Mad Men* a once-over for womankind.



Involvement. Canada's USP?

As the industry trots out to fete the work at awards shows (not to mention each other at the holiday parties that follow), there are lots of new beginnings afoot. Some of these new models, mindsets and partnerships are indicative of shifting priorities and new wish lists leading into 2008.

The hook-ups range from former agency presidents Tony Altilia and Jim McKenzie emerging from retirement to meet the growing need for senior-level consulting, to offshoot boutiques like Juniper Park – which is too busy to launch, but should officially spring from BBDO next month – to start-ups, such as the launch of Toronto-based Huxley Quayle von Bismark this month.

McKenzie and Altilia's new consultancy, Maxim Partners Inc., speaks to the scarcity of senior strategists. Why Maxim? Because it means an essential truth, says Altilia, "and with truth comes trust." Their mission? Build trust with clients, brands, consumers, employees and suppliers.

HQvB – the coalition of Andy Shortt (former CD at Dentsu Canada), Chris Hall (former CD at Arnold Worldwide in Toronto) and Mark Tawse-Smith (formerly with Downtown Partners) – is indicative of the new advertising thinking, with a mission to get people involved in clients' brands with less spending. Shortt says it's a mindset shift, moving people from being spectators of advertising to being part of a movement, capitalizing on the consumer's social networks and using expensive media sparingly for better return on involvement. They believe that having a single performance criterion – how much they contribute to involvement in clients' brands – will reinforce that focus.

HQvB is touted as the world's first fully customizable agency. There will be a flat fee for the core offering, but then it's up to clients whether they want to add optional services, such as a dedicated account exec. They also promise no mark-ups on printing and other outsourcing, and say that in most cases their services will cost one-third less. And they're investing 15% of their revenue back into their clients' businesses. Hall says this approach is a way to return to an old-school relationship, back when agencies were powerful business-building partners.

They also plan to invest in their own brand via a guerrilla campaign to spark local interest, plus national and international cyber-efforts. That's right, the HQvBs are taking a page from the Strawberry Frog virtually global playbook. They're talking with potential clients in the U.S. and Europe, and launching the new shop as an international venture based out of Toronto. Given the multicultural nature of this market and the talent here, they feel Toronto should be a major ad destination. As per Hall: "Why shouldn't an international launch from Canada?" True that.

This issue, our overall Brand of the Year winner is an advertiser that's the poster child for Return on Involvement: Dove. As everyone is seeking a new roadmap for successful (and cost-effective) connection with consumers, the "Evolution"/Self-Esteem Fund success story means Unilever Canada and Ogilvy & Mather Toronto have the rapt attention of the industry – globally.

So it's an ideal time to take advantage of that spotlight, carve out a more robust role for home-grown creative and grow some Canadian branding know-how beyond our own borders.

As fodder and inspiration, read about Dove's impact on Canada's role within the Unilever empire, as well as the accomplishments of all our Brand of the Year winners, such as L'Oréal, whose Canadian efforts are influencing its HQ's global thinking (full story, page 51). And check out Brett Marchand's Forum column (page 85) to see how y'all can help grow the Canadian ad industry success story. Cheer, mm

Mary Maddever, exec editor, *strategy and Media in Canada*

PS. Thanks to everyone who helped out with Brand of the Year suggestions, feedback and general brain trust contributions. Narf.

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'Tis the season for giving, but enough is enough

My recent and frequent shopping expeditions have been providing me with ample fodder for this page over the past few months. After discussing the rant that follows with a few colleagues and friends to ensure that I was not going to paint myself as a miserly curmudgeon, I thought I'd share a few thoughts on "giving."

When was the last time you walked into your local grocery, drug or liquor store and escaped without being asked whether you'd like to add on an extra dollar or two to support an admittedly worthy charity or cause? It's one thing to have the option of donating a few dollars to a coin box on a cash counter, but it's much more intrusive when the clerk – who's uncomfortable even asking – is mandated to ask each and every customer whether they want to give. It's almost impossible to say "no," which I guess is the whole point.

The most annoying factor is that the offending retailers try to weave this all too common practice into their social strategies and position themselves as the benefactors. I don't

get it. With so many examples of truly great CSR strategies that are working globally, it's time to let this insidious practice go. It does nothing to enhance the brand image of the retailer – in fact, quite the opposite.

Moving on to giving that's actually doing some good, we're delighted to include the second annual NABS calendar with this issue of *strategy*. The inaugural 2007 calendar – the brainchild of Frank Palmer – was welcomed by the industry and raised \$26,000 for the Friends of NABS program.

This year was even more successful. Thirteen agencies signed up to support the initiative, and with the support of partners including (and especially) Cundari, Colour Innovations, M-real papers, Clixx Direct Marketing Services and Canada Post, I'm very pleased to report that the FON kitty has been improved by almost \$40,000. Special thanks are due to the Cundari team of Fred Roberts, Solly Bulbulia, Cory Eisentraut, Jennifer Froud, Gina Pomroy, Ilya Strashun, George Kanellakis and Jesse Pearson.

Enjoy the calendar, and don't forget to go to strategymag.com or nabsrocks.org to download the digital version which will be updated to your desktop via RSS feeds as events are updated.

'til next year, go well. **cm**

Claire Macdonald, publisher, *strategy* and *Media in Canada* (416) 408-0858

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PAGE CP1



PAGE S64

MARKETING TO YOUTH

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“Everyone doesn’t have to kn

CanWest and Sunquest plan a wedding

Armchair wedding planners got misty-eyed last month about possibly the world's first consumer-planned wedding.

A Montreal couple was selected from over 600 video entries to win an all-expenses-paid wedding and star in *Entertainment Tonight Canada's* "Dream Wedding." *ET* viewers chose the bride and groom's gear and venue, scrutinizing sponsors' offerings in the process. Antigua won out of four locations for the ceremony, courtesy of Sunquest Vacations and Sandals Resort and Spa.

Promos developed at Toronto-based CanWest MediaWorks appeared on Global channels, in CanWest newspapers and online properties and in Sunquest brochures. All drove traffic to Canada.com, where more than a thousand people chose the Harry

Rosen suit, the Mark Lash rings and the Bella Di Sera gown.

The total value of the prize was \$60,000, and the wedding was broadcast during sweeps week, Nov. 12 to 16. Extra segments also aired, driving ratings up 34% over the season average. "It grew beyond expectations," says Catherine Bridgman, SVP marketing ventures at CanWest

MediaWorks. "We had more content and interaction than planned."

Susan Bowman, marketing SVP at Sunquest, says ROI is difficult to measure, but feedback from travel agents has been positive. "This will continue to build momentum," she says.

Says Bridgman: "This was a perfect marriage, because it's interesting for viewers, and delivers well for Thomas Cook." **CT**

PICK FROM ABROAD: The U.S.

Tide swashbuckles slackers

Well, not quite. But Swash by Tide may catch many off guard.

Cincinnati-based P&G is testing a line of laundry "freshening" products for college-age slackers who want to save time and money by delaying doing laundry for as long as possible. Products like "dewrinklers" and deodorizing sprays are available at the Swash pop-up store near Ohio State University in Columbus. P&G is tight-lipped about the store, saying only that it's being used to collect consumer insights.

The products are also available online at swashitout.com, which features witticisms like, "Just because you slept in your clothes doesn't mean everyone has to know it. Swash out wrinkles, odors and static."

P&G has positioned Swash as eco-friendly, as doing less laundry helps save water and electricity. The five-product line is rounded out by a stain removal pen, a lint brush and dryer sheets that help remove wrinkles and odors in just 10 minutes, without having to do a pesky wash cycle first. **AB**



TAXI FAKES ADS FOR BOOK LOVERS AND AD HATERS

◀ By Kara Nicholson ▶



Open Book: Toronto, an organization that connects Torontonians with their local literary scene, recently revamped its website and commissioned Taxi Toronto to raise awareness about it.

The target was people who love books but aren't necessarily receptive to traditional advertising.

"We knew we were trying to connect with a group that doesn't want to be marketed to," says Amy

Logan Holmes, executive director of Open Book: Toronto.

The idea was to avoid the obvious ad approach and instead redirect folks from whatever they were looking at – ads, bathroom graffiti – and get them thinking about what else they could be reading. To plant that seed, stickers that read, "Is this the only local [insert literary genre here] you're reading? Openbooktoronto.com" were affixed to various traditional and non-traditional media. In a first for the agency, Taxi handled and bought media for the campaign. "The beauty of this campaign is that the city became our canvas," says creative director Rose Sauquillo. "Every printed

word had the opportunity to become a headline."

For the media executions, Taxi created mock print, online and OOH ads for fake businesses. The ads appear real at first glance, but a sticker tips readers off, urging them to check out Openbooktoronto.com, while URLs for fabricated businesses like The Mating Place redirect them to the site. Fake classifieds, also affixed with stickers, were placed in *NOW* magazine, and fake neighbourhood postings about missing cats, etc., were stickered with "Is this the only local mystery you're reading?"

Taxi also got permission to "vandalize" some pre-existing public reading material, such as the bathroom walls of pubs and hang-outs, by adding the message: "Is this the only local poetry you're reading?"

The four-week-long, \$50,000 effort launched in October, and saw total user sessions for the site go up 180% in the first month, with total media impressions estimated at over nine million.

ow you slept in your clothes”

Canada Post gets a Second Life



You won't find Maple Grove on any map of Canada, but that didn't stop Canada Post from setting up shop there last month. Located in the virtual global community of over eight million users known as Second Life, the city saw an average of 800 unique visitors make 15,000 visits a day in the first week.

"We've already quadrupled our initial investment in terms

of PR and ad value," says Paulina Sazon of Canada Post direct retail strategy, who oversaw the project.

Just as in a real post office, visitors to Maple Grove can buy stamps, cards and gifts and send them anywhere in Canada. Canadian and American retail partners featured in Canada Post's annual *lookbook* catalogue are also supported, including Sears, SkyMall, Toys 'R' Us, the Shopping Channel, Brookstone, Red Canoe and Everything Olive. The virtual retailers are offering incentives such as discounts on merchandise and gifts with purchase. Sazon said that some products featured in the catalog and in Second Life sold out within the first week.

And there's more to do than shop: virtual concerts, film screenings, discussion forums and even a virtual scavenger hunt are included. "This is a social network," says Sazon. "We're looking for ways to ensure that we'll have fun things for Second Lifers to do when they come to Maple Grove."

A buzz marketing campaign is continuing through the Secondlife.com events calendar, group notices and blogs, as well as across social media networks such as MySpace. The design and build were the result of a collaboration between Canada Post, the mail carrier's U.S. PR agency, Raleigh, N.C.-based French/West/Vaughan, and builders in the Second Life community.

The campaign objective is to support the *lookbook* and attract international retailer partners in an innovative way, says Sazon. Since the launch, the project has garnered interest from companies in Canada and the U.S., and Sazon says CP is "actively looking for ways to expand this." **CT**

Twenty of Leo's finest had one month to grow the most



Copywriter Marcus Sagar (centre) won the People's Choice Award. We'll let you guess who won Sleaziest and Most Creative.

magnificent mustache, to be determined in an elaborate internal pageant judged by beauty queen Inga Skaya (right), two Toronto Argonaut cheerleaders (one left) and a non-partisan local mustache connoisseur. **AB**

**Want to share your own clever do-gooder tactics?
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Last year, Home Depot Canada wowed our judges with its successful CRM program.

Think your brand has what it takes? Contact Natalia Williams at natalia@strategy.brunico.com for more details.

Heavy Canada looking for comedians and contraband brands



Hot on the heels of its successful "Canadian Contraband" online reality show/battle of the bands hybrid, which attracted an impressive 7.7 million streams, Heavy Canada is gearing up to launch the series "Comedy Contraband" next spring. The series will follow funny Canadians as they compete to win stage time at the Just for Laughs Comedy Festival next summer.

"It's not just for stand-up comics...the idea is that it will be open to anything that's funny," explains David U.K., VP/GM of Toronto-based Heavy Canada. Contestants can deliver punchlines, craft Jackass-esque pranks and whatever else they have in their comedic arsenal to win.

The series will run online at Heavy.com, and, like all Heavy content, will be available on Virgin Mobile phones. The online video hub's audience is predominantly 18- to 34-year-old males, with 92% of visitors over age 18. Its monthly Canadian traffic is 1.4 million unique visits.

Montreal-based Just for Laughs has already signed on as a partner for the series. Now, Heavy Canada is interested in attracting more brands to get on board, online and off. "We can integrate [brands] into the actual scripting," explains U.K. At press time, Heavy was still in talks with high-profile Canadian comics about judging the competition. **AB**

WATER COOLER

ASKING CANADIANS



Lots of sports brands have gone white-hot due to word of mouth. But how sustainable is that when a label goes from boutique to ubiquitous? As Lululemon transitions from its local yoga roots to become a fast-growing retail chain – while sticking to its WOM strategy (see story, page 26) – we wondered how big an influencer WOM really is in this category.

What influences your decision to buy a brand of sports apparel the most?

Word of mouth	52.4%
Advertisement	39.5%
Press coverage	4.2%
Celebrity endorsement	3.9%

This poll of 1,003 Canadians was conducted by the Asking Canadians™ online panel from Oct. 2 to 3, 2007.

www.askingcanadians.com

Brilliant!

◀ By Annette Bourdeau ▶



Expedia Canada scored multimedia coverage with its “Fast Talk Your Way to Vegas” contest. It invited Canadians to rattle off their favourite things about Sin City in 15 seconds or less, and vote for entries posted at fasttalktovegas.ca.

The concept stemmed from last year’s popular Expedia commercial, which featured a high-strung man’s high-speed chronicling of his vacation exploits in Vegas. “We thought it’d be awesome to expand that into a contest and have people interact with the brand in a unique way,” explains Christopher Day, marketing director at Toronto-based Expedia Canada, which ran a corresponding “Las Vegas Extravaganza Sale.”

The contest attracted hundreds of entries, which contestants embedded in their blogs and Facebook profiles to encourage friends to vote for them. “It’s a great way of linking up to Facebook without being domineering,” says Day.

The six-week contest kicked off with a national media tour featuring judges Fran Capo – the Guinness World Record-holding fast talker – and glib Quebec celeb Christopher Williams. It landed coverage from 20 news outlets, including the *Globe and Mail* and the *Toronto Sun*.

Expedia developed the contest with Toronto-based PR firm Edelman, while Toronto-based Grip did the website. The original “fast-talk” commercial was done by Toronto-based GWP Brand Engineering.

Virgin Mobile incents Canada to wait for no-con contracts

Virgin Mobile Canada is ready to make a long-term commitment – almost. The operator plans to expand its current base of 500,000 pre-paid customers by getting into the post-paid business in early 2008, and will double the number of ministores in malls across the country to 150 next year.

“There has been a high level of consumer demand,” says CMO Nathan Rosenberg, adding that similar transitions have gone smoothly in predominantly pre-paid markets in Europe and Asia. In Canada, where over 70% of mobile users are on post-paid contracts, the potential is even greater. Virgin brand founder Richard Branson said, “We hope to take the ‘con’ out of contract and bring in a post-paid proposition that really shakes up Canada.”



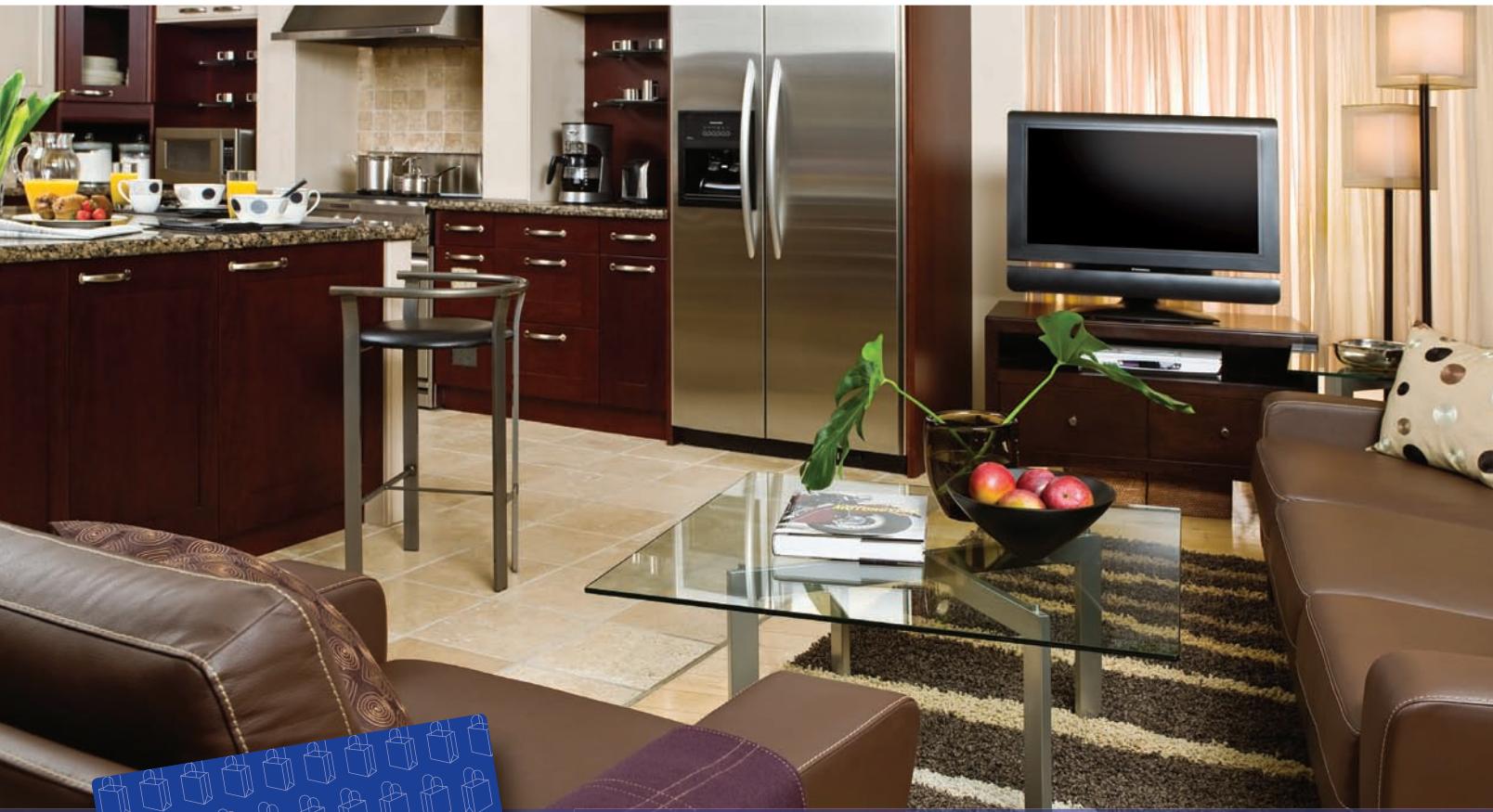
Eager consumers can pre-register at Virginmobile.ca to be contacted when the new service launches, and to get a chance at one of 500 prizes of free texts for a year or the grand prize of free service for life.

The campaign, created by Toronto-based Zig, is designed to compel holiday shoppers to wait for Virgin, with pre-launch online and viral activities advising people to “be careful what you sign up for this Christmas.” A separate above-the-line holiday campaign pushes new pre-paid products such as the Motorola CRAZR.

Branson announced the new foray when he was in Toronto last month for a Virgin Unite fundraising event, where 850 people raised over \$2 million to fight global warming and AIDS in a silent auction held by the employee charity. Acts included Mindfreak magician Criss Angel, who is considering his own longer-term partnership with Virgin. “Given our focus on the 18- to 30-year-old audience and his status as a person of great interest to that target audience, it makes good sense,” says Rosenberg. **CT**



sometimes it's hard to please everyone



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◀ By Annette Bourdeau ▶

WSIB FIGHTS COMPLACENCY WITH HORROR

It's no accident that the latest commercials from the Toronto-based Workplace Safety & Insurance Board are hard to watch.

Two 30-second spots feature shocking, unsettling depictions of preventable injuries at work. The hard-to-ignore executions call to mind the memorable workplace safety ad from years ago in which a steel shard hurtles in slow motion towards a worker's eye.

One of the new ads features a sous chef talking about how her upcoming wedding will have to be cancelled because she's about to be injured at work. Viewers then see her slip, fall and have her face burned and disfigured by hot oil. Both ads end with the message "There really are no accidents," and direct traffic to prevent-it.ca.

"If there is horror in the spots, it is certainly analogous to the horror of the issue," says Robin Heisey, CD at Toronto-based DraftFCB, adding that more than 80 Ontarians a year are killed in preventable workplace incidents. "What's happening is an outrage...and people, to some extent, are complacent about it."

He says the intense ads aim to force people to pay attention to the issue. "If 80 workers were all killed in a day, in a factory fire for example, that would make headlines all over the world. But since it's spread out over a year, nobody notices."

The spots are running on TV after 8 p.m. to reach a mature audience. Heisey says the target is broad: all Ontario employees and employers. They have also been posted on YouTube to increase viral reach, and at press time had a combined view total of over 30,000.

The campaign also includes OOH and two 30-second radio spots. The latter weren't finished at press time, but Heisey describes them as powerful. He says one features an announcer talking about the word "accident," using the example of a distracted pick-up truck driver running a red light and killing two people. It leads up to the message that the scenario wouldn't be described as an "accident," but rather as two funerals. "It's really well-targeted, because it's talking to drivers."

client: **Moira McIntyre, VP strategic communications, policy & research; Colin Fenby, marketing manager, Workplace Safety & Insurance Board**
agency: **DraftFCB**

CD: **Robin Heisey**
AD: **Joe Piccolo**
copywriter: **Chris Taciuk**
account director: **Darrell Hurst**
prodco: **Untitled**
director: **Peter Darley Miller**



BRANDED BREAD AIDS TO MAKE HUNGER TOAST

It's hard to ignore edible advertising – especially when it's being dished out by a street team with a blowtorch.

Tribal DDB's recent stunt for Vancouver-based pro-bono client First United Church Mission featured a makeshift street team handing out branded bread slices at Vancouver's busy intersection of Robson and Burrard. The front of the toast featured the message: "For some people, this is a meal," while the back read: "Help us help the homeless. Firstunited.ca." Passersby were encouraged to donate on the spot, as well as to visit the website. Funds raised will help the mission's efforts to feed the hungry in its gritty downtown east side neighborhood.

"It seemed like a strong way to deliver that message using the medium of food," says Cosmo Campbell, Tribal's CD, adding that the toasty messages are biodegradable and won't cause litter.

The effort was a bit of a pet project for Campbell, who was very hands-on due to the client's non-existent budget. "I've been making [the bread] over a period of about a week," he says. "I could make six loaves a night, which took about three hours. I got branding irons made by a company in Montana." Campbell and a handful of other DDB and First United Mission employees personally handed out about 300 pieces of toast, using blowtorches to cook the slices of bread.

Curiously, Tribal DDB's involvement wasn't triggered by any involvement with the church's website. Campbell is a big supporter of the mission, and felt that it was appropriate for the guerrilla stunt to come from an interactive agency because, as he puts it: "Our feeling is it doesn't have to be online as long as it's interactive." He hopes to build on the concept in the future. **AB**



client: **Ric Matthews, minister of the mission and community life, First United Church Mission**

agency: **Tribal DDB, Vancouver**

CD: **Cosmo Campbell**

baker: **Cosmo Campbell**



WAL-MART GETS FUNNY FOR THE HOLIDAYS

After over eight years of ads featuring real customers and sales associates, Mississauga, Ont.-based Wal-Mart Canada is trying something new: TV spots with actors. The holiday ads are the first of a series sporting the tagline: "Life can be pricey. Wal-Mart isn't." A late-summer spot using the tagline "tested exceptionally well," says Wal-Mart Canada spokesperson Kevin Groh. "We're proud of the years of real life stories, but that doesn't mean we can't show some flexibility and go after a deeper brand idea. Every one

highlights one of life's challenges resolved in a Wal-Mart, so from a branding perspective it makes great sense for us."

Created by the retailer's AOR for English Canada, Toronto-based Publicis, the English-language campaign consists of three TV spots, each focusing on a specific retail area: toys, home décor and electronics. The first, "Buried Gift," ran in November and featured a jealous dog burying a toy dog in the snow. The second, "Unexpected Guests," which wraps the first week of December, plays on the faux pas of a friend who comes for a visit, failing to mention he'll be bringing along his girlfriend and her three kids. In the third, which runs for two weeks starting Dec. 3, a father unwittingly gives his son's gift, an iPod, to a lucky "Newspaper Boy."

The campaign also includes online support focusing on the electronics business that runs for seven weeks, to Dec. 24. Montreal-based Allard Johnson Communications has created three unique French-language spots that also use humour to promote the same retail departments, the last of which began airing on Nov. 12.

"All three are timely for the holidays, and are areas where we've made a lot of investment and improvement," says Groh. Duncan Bruce, VP/ECD at Publicis Canada's Toronto office, said the insight for the new format came out of a global Wal-Mart directive (similar ads are running in the U.S. with the tagline "Save Money. Live better.").

"Allowing us to write a script and create a moment made it much more focused," he said.

Rumours of a Wal-Mart agency review were not confirmed at press time. **CT**

client: **Mike Dombrow, director of marketing; Toni Fanson, director of advertising, Wal-Mart Canada**

agency (English): **Publicis Canada**

ECD: **Duncan Bruce**

AD: **Gary Holme**

writer: **Pat Pirisi**

brand director: **Gord Muirhead**

account supervisor: **Elle Lytle**

production house: **Avion Films**

director: **Tim Hamilton**

executive producer: **Paola Lazzeri**

producer: **Marilyn Kastelic**

agency (French): **Allard Johnson Communications**

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The greener machine

Yoichi Tomihara incorporates the Toyota Way into his drive for environmental and sales supremacy

◀ By Mary Dickie ▶

Earlier this year, in a development that would have been unthinkable a few years ago, Toyota Motor Corporation topped General Motors in first-quarter sales, making it the world's largest automaker. Though Toyota's supremacy may not last – GM rebounded in the third quarter – it marked a major milestone for the Japanese upstart, ending seven decades of domination by the U.S. giant.

In Canada, while the rest of the auto industry is struggling, Toyota topped six years of growth with new sales records for both Toyota and Lexus in 2006. And the trend has continued through 2007: in November, Toyota Canada Inc. (TCI) announced that year-to-date sales were up 3.5%. While other manufacturers are closing factories, Toyota is building a new one in Woodstock, Ont., and it's even considering getting into the Canadian auto insurance business.

What's fuelling Toyota's success is no secret, just hard to emulate. A large part of the credit goes to a corporate philosophy called the Toyota Way, which emphasizes constant improvement, intelligent research, open communication and the elimination of waste. Those principles underline the innovative worldwide Toyota Production System,





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OSPREY
MEDIA

which allows the automaker to produce high-quality vehicles in less time than its competitors, while creating less waste.

For Toyota, that ties in nicely with the increasing demand for more environmentally friendly vehicles. It was a pioneer in the development of fuel-efficient cars back in the '70s, and introduced the world's first mass-produced hybrid car, the Prius, in 1997. Since then, it has sold more than one million hybrid Toyota and Lexus (the company's luxury brand) vehicles worldwide – and more than 16,000 in Canada since hybrids were introduced here in 2000. The emphasis on quality was rewarded at this year's Canadian International Auto Show, when the Toyota Camry Hybrid was named 2007's Car of the Year by the Automotive Journalists Association of Canada.

Environmental initiatives are a major part of what drives Toyota Canada president and CEO Yoichi Tomihara, who has been with Toyota since 1975, working in Japan and Germany in product planning, production management and sales and marketing before taking on his present position last February. Tomihara's personal goal is to increase hybrid

In 1990 our company decided that the most important subject in the coming 50 to 100 years was the environment. So we decided that **a major investment should be spent on environmental technology**



The Lexus hybrid campaign stresses sleek lines and performance as well as environmental friendliness

sales to 10% of TCI's sales from the current 4% by 2010. He drives a Lexus RX hybrid himself, and is proud of his company's involvement in the Toyota Earth Day Scholarship, which helps cover educational expenses for students who have worked for environmental causes, and the Evergreen Learning Grounds program, which bankrolls the greening of schoolyards across Canada with the help of local Toyota dealerships.

In fact, getting his dealers involved in the community and invested in the Toyota Way is another priority for Tomihara. One way to do that is the Customer One program, which logs all service visits to Toyota's 240 Canadian dealerships and flags problems in an effort to improve the customer experience and lead to positive word of mouth and increased brand loyalty.

So it's not surprising that TCI's marcom work – divided between two Toronto agencies, Dentsu Canada and Saatchi & Saatchi Canada – follows the company line in a neat dovetailing of environmental virtuousness, personal connection and unabashed driving pleasure.

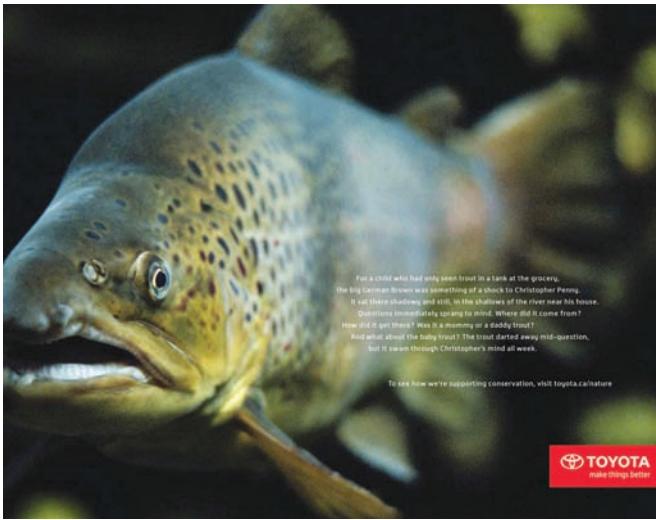
The agencies' latest campaigns, for instance, are part of an effort by Toyota Canada to reach beyond its traditional reputation for reliability to appeal to consumers in a more emotional way. Dentsu's ads for the Lexus hybrid show images of windmills, kids and trees, as well as the vehicle's sleek lines. And its "Moments" campaign for Lexus portrays

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Toyota has a focus on education: the new master brand campaign (above) doesn't even mention cars, while Lexus ads (right) fight anti-hybrid prejudice

ultimate life moments like surfing the perfect wave, enjoining viewers to squeeze everything they can out of them. Meanwhile, Saatchi's Yaris work stresses the fact that the car is Euro-cool and fun to drive, while its Camry Hybrid ads tell viewers they can have it all, and its master brand effort avoids cars altogether, concentrating on trees, fish and, uh, broccoli, while countering myths about hybrid technology. The tagline that underlines the master brand effort is also the Toyota Way's bottom line: "Make things better."

"The keystone of the philosophy is constant improvement, and that's what the advertising needs to be as well," says Glen Hunt, creative catalyst at Dentsu Canada. "Always finding ways to evolve, never being satisfied, always going in a slightly different direction to find ways to connect with the consumer."

The insight that growth would come through emotional connection emerged from extensive consumer research, says Warren Orton, TCI's director of marketing.

"Over the years we've reinforced quality and dependability in our marketing messages, but that only goes so far, and the campaigns had never really propelled the brand to the next level," he explains. "We needed to change that perception, and move the brand to a more emotional consideration. So in 2006 we embarked on a project to overhaul our brand. That involved a lot of research, which helped us set a direction. We distilled a dozen different areas down to about four, and the one that resonated best was 'Make things better.' And that became the centrepiece of all our brand activity. It's the perfect positioning for us, internally as well as externally."

"Make things better" came out of our recommendation to create almost a gold

scored on, and those were emotionally based," he adds. "On the list of attributes that matter, we wanted to get 'good corporate citizenship,' 'fun to drive,' 'high design,' 'innovation' and 'creativity.' And that will come from both the master brand and the new way we communicate the product that we sell."

"Moments" has certainly been successful as an emotion-based effort; Dentsu says Lexus sales have increased more than 400% since it began working on the brand. "It's been a phenomenal response," says Hunt. "A lot of it has to do with a phenomenal product, and a great sales force. But they really focused on a new philosophy, to create a moment of theatre with everything inside the vehicle."

So when you sit in the car, that should create a moment for you, and when you start it with the pushbutton, that should be a moment of theatre. Everything is about developing these moments."

"The campaign has been very successful," allows Orton, "but the real guts of what has made Lexus so successful is how well customer satisfaction has been maintained, which leads to word of mouth. Our dealers do a tremendous job of taking care of our guests in the Lexus dealerships and supplying a superior ownership experience, and that really is the hallmark of Lexus and the foundation we've built our marketing on."

While the various brands are connected by a common philosophy, Toyota gives each model a distinct personality that's reflected in its marketing message. Lexus stands for luxury, for instance, while the Camry is a practical family car, Tundra is a tough truck and Yaris is young and fun.

"It's important to create distinct marketing voices for each of the models, because Toyota

standard of what the brand needs to stand for," says Brett Channer, chairman and EVP/CD at Saatchi Canada.

"Corporate behaviour is as important today as product behaviour. So we did research to find an insight that would link an emotional attribute of Toyota's brand image to Canadian citizens, and the one we found was that we both live for making tomorrow better."

"In our research, Toyota got high scores on quality, reliability and durability, so the way to improve was to look at the attributes we were not getting

needs to be known for a wider selection of choices than it has historically been known for, which is basically Camry and Corolla," explains Channer. "It was designed so that each product would have its own unique target group."

"Each model appeals to a different segment of the market in terms of age demographic and affordability," adds Orton. "It's important that we appeal to people in various stages of their life and help them make a decision on which vehicles they need at that time."

The Yaris campaign, for example, has determinedly gone after the young male demographic with its eccentric Uncle Yaris character. "We asked people what makes them feel good in their lives, and one insight



THERE ARE MANY MYTHS SURROUNDING HYBRIDS. LET'S TAKE A MOMENT TO CLEAR THE AIR.

MYTH 1 - HYBRIDS ARE SMALL AND UNDERPOWERED: Many hybrids deliver more horsepower than conventional gas-only vehicles. In fact, the Lexus GS 450h offers an impressive 339 net horsepower, while the GS 400 L provides an astounding 438 net horsepower.*

MYTH 2 - HYBRIDS COST AN ARM AND A LEG: There is an initial added cost outlay, but it's not nearly as significant as you might think. You'll also benefit from available government rebates, reduced service costs and fuel savings. The Lexus GS 450h gets almost 25% better fuel economy than its conventional cousin, the GS 430.

MYTH 3 - HYBRIDS ARE A PASSING FAD: False. More and more people from all walks of life are embracing hybrid technology every year. As of May 2007, over one-million people have purchased hybrids. And hybrid sales continue to increase exponentially every year. We're currently in our fourth generation of hybrid vehicles with no end in sight.

MYTH 4 - YOU HAVE TO PLUG THEM IN: You'll never have to plug in your Lexus hybrid, they are self-charging. When you coast or stop on the brake, the battery regenerates itself. No need for an electrical outlet. Ever.

MYTH 5 - OTHER TECHNOLOGIES ARE AS ECO-FRIENDLY AS HYBRID: While gas-electric hybrid is not the only answer, it currently may be the best. Diesel engines touted as "environmentally friendly" will still release almost 4 times the amount of smog causing emissions compared to a Lexus hybrid.

For more information on hybrids and Lexus, visit LexusHybridDrive.ca.



was that uncles make people feel good," says Channer. "Everyone has a favourite uncle story. So we looked for a way to link that attribute to the values we want to support this car on, and it just came together."

"It's not as wacky as it seems, because it's directly related to research and consumer insight management," he adds. "Nothing's ever just a whim; it's all based on numerical structuring. And it's been hugely successful."

"Toyota really focuses on what an individual needs, rather than seeing everyone as a



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Toyota's "Make things better" tagline fits the company's philosophy and its green initiatives

pocketbook and selling them anything," adds Hunt. "One example is the Tundra truck. Toyota sent engineers to wrecking yards to look at other vehicles and find out how they broke down and what the issues were. And they found a bunch of headrests piled in a corner. It turned out that when cowboys and construction workers got into their trucks, the headrests would bump up against their hats, so they'd just rip them out and throw them away. The engineers saw this and said, 'This is an issue. How can we make this better?' And so they made a headrest that tilts back so you can wear your hat or helmet. That's just an example of a million things they're doing to understand the consumer and improve their experience."

With all this in mind, *strategy* sat down with Yoichi Tomihara at Toyota's head office in Scarborough, Ont., to get his perspective on the challenges facing Toyota and the way he's implementing the Toyota Way in the Canadian market.

How well has the Toyota Way translated into Canada, and how does it tie in with environmental initiatives?

The core value of the Toyota Way is *kaizen*, which is a Japanese word that means 'make things better.' And 'make things better' is a match with Canadian values. Most of the Canadian people are very optimistic, but they want to improve. They want a better life, a better environment, a better society. This makes this Toyota culture a match for Canada and our company. Through our dealerships we are also interested in improvement, especially in the area of environmental issues.

You have said it's your personal task to sell more hybrids. How will you accomplish that goal?

Hybrid technology is our dream. Toyota has spent a huge amount of manpower and investment to establish this new technology. Ten years ago, we launched the first hybrid vehicle – a dream car, with both an electric and a gasoline motor. All Toyota associates have been very excited by it, not just for the business purpose, but because our vehicles are contributing to the environmental issue. Our dream is to spread hybrid technology all over the world, and already we have sold one million hybrid vehicles.

It was a new technology, so at the beginning it was extremely difficult to convince the public to test drive or buy these vehicles. But we have enhanced our PR activities, especially around the technology. I came from a previous assignment in Germany, and in Europe they all believe that European technology is the best in the world. So we had to convince governments and NGOs and media there why hybrid technology is so effective at reducing emissions. This has worked, and now most of the European governments and NGOs have been supporting hybrid technology. So we're taking a similar approach in Canada.

UNPAVING THE SCHOOLYARDS

One of the projects Toyota Canada Inc. (TCI) CEO Yoichi Tomihara is most proud of is the Toyota Learning Grounds program, which brings teachers, students and community members together in an effort to transform paved schoolyards into outdoor learning environments. Schools get hands-on help in planting trees, shrubs and vegetable gardens, as well as training for teachers and print, video and online resources for students. Tomihara himself gave a speech and helped plant a



tree earlier this year at an Evergreen event at Woburn Public School in Scarborough.

The Learning Grounds program was founded in 1993 as an initiative of Evergreen, a national non-profit environmental group. Toyota's sponsorship, which began in 2000, has resulted in an expansion of its reach to include

more schools as well as an annual newsletter, regional workshops, a website (Evergreen.ca) and toll-free access to staff. Toyota dealers not only contribute financially, but also pitch in with spadework or presenting cheques, which reinforces their community involvement.

"The dealers have an interest in connecting with their community and showing the way they're giving back," says Cam Collyer, director of the Toyota Learning Grounds program. "It's a lovely aspect for the program, and I think it works for Toyota as well. It gives the dealers a different face in their community."

TCI and its dealerships have contributed more than \$4 million to the program, involving 265,000 schoolchildren at 600 schools across Canada. It also features the program on its website and in print efforts including the master brand "Broccoli" ad.

"Toyota's involvement has meant a stable and strong national presence, which has allowed us to do things that are difficult to do with project-based funding," says Collyer. "This program is about a lot more than distributing grants to schools. We are creating a foundation for public education that will last a long time." **MD**

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How did Toyota manage to develop hybrids before other manufacturers did?

In 1990 our company decided that the most important subject in the coming 50 to 100 years was the environment. So we decided that a major investment should be spent on environmental technology. It's not necessarily just the hybrid, but also fuel cells, new diesel, biofuel...it's a cumulation of investment from the 1990s. So we had a five- or 10-year advantage over other manufacturers.

Are you planning to introduce more hybrid models in the future?

Yes. Our dream is to hybridize all our Toyota vehicles. Of course we have to make this happen step by step, because each hybridization requires a lot of tasks and investments. We can't do it in one day.

In the meantime, you're also increasing your eco-efforts beyond the corporate level. How important was it to get independent dealers involved in your community and environmental activities?

Very important. We have asked our dealers to be involved, especially in the Evergreen activities. Each local school has the connections, the contacts, so through these activities dealers are more motivated and connected. And the dealership is like our ambassador in each local area, so we want to further involve our dealers in this area.



How important is the role of the dealer network in increasing brand loyalty?

Brand loyalty comes through our dealers, because it's about customer satisfaction. Our dealerships have not been pure sales machines; they are more like individual customer treatment centres. This was established to serve our local activities. Of course, behind the quality of the product is a fundamental need to gain trust from customers.

Why did you decide to appeal to consumers' emotional rather than rational needs in your marketing efforts?

This is a very important subject. In the past, Toyota vehicles were sold by their reputation for quality, and other rational reasons. But we know now that we have to explain more to the public, the government and the media what we are about. Evergreen, the Earth Day scholarship, the Special Olympics – these activities are important. But most important is Toyota's investment in Canada. We are now building a second big factory in Ontario. Other

GLOSSARY

THE TOYOTA WAY PHILOSOPHY

kaizen (continuous improvement):

Toyota's most important overarching principle led directly to the slogan "Make things better"

muda (waste): things that get in the way of efficient vehicle production, including unnecessary transport, excess inventory, waiting, defects and unused employee creativity, are to be avoided

genchi genbutsu ("Go see for yourself"): the best way for senior managers to solve problems is to go to the source, i.e., the production line, and observe them first hand

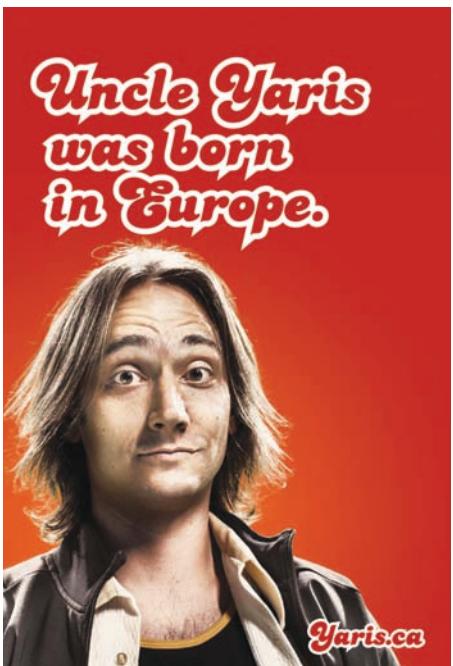
nemawashi (laying the groundwork): any change or new project must be preceded by extensive consultation so that minds are open to it

heijunka (even out the workload): a system of "smoothing" production to create a consistent level of speed and volume, rather than going faster and then more slowly

jidoka (stop and fix the problem): quality takes precedence, to the extent that all employees have the authority to stop production if they notice something amiss

hansei (relentless reflection):

Toyota incorporates this principle of reflecting on weaknesses and devising ways to change into its training programs, conducting *hansei* events to improve products and processes



The wacky Uncle Yaris campaign actually emerged from serious consumer insight management

manufacturers cannot make this investment. This is a long-term commitment to Canada from Toyota, meaning investment and hiring and new relationships with local suppliers. So we're creating more story behind the product, and we try to emotionalize the brand further.

Does Toyota's policy of moving its managers around the world mean its agency partners play a bigger role in marketing efforts?

Yes. The requirements from each market are different, and each local agency has the best knowledge and experience for each local market. Toyota has the global knowledge and the global experiences, but for implementation we rely on local agencies.

Why is there an emphasis on keeping the brands distinct and separate?

The brand personalities are very important. Toyota has been very successful with baby boomers in the past, and we want to also retain good customer numbers with the new Generations X and Y, so we have to really specialize our brand lineup to meet the demand from the individual generations.

Do you plan to appeal to the Canadian youth market by introducing the Scion?

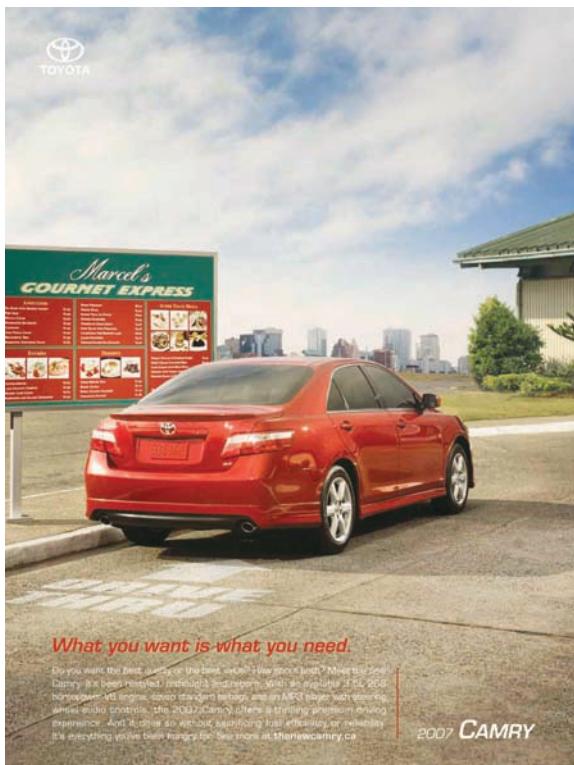
At this moment we have Yaris and Matrix, which are well accepted by the young generation. We are not hastening to introduce the Scion, but we are studying the best timing to introduce it eventually. We are confident in Yaris and Matrix, they've been

MARKETING MANAGER - CALGARY

appealing to younger customers, and through better marketing we can capture more of the younger generation.

Why is Toyota taking steps to enter the insurance business in Canada? Is it a marketing tool or a separate revenue generator?

It's relating to customer satisfaction. In the rest of the world, this was well accepted, because superior quality is a Toyota standard. But it's not a subject we can really decide on right now. Because of the challenges represented by local regulations in Canada and other parties working in this area, this is still under study. Like the Scion, we are in the study stage.



Above: Toyota's campaign for the Camry, its practical family car, is an example of the company's new emphasis on selling vehicles through emotional appeals rather than rational needs. Far left: a TV spot from the same campaign features battling villages

or maybe even in the business world, and this is thanks to very good communication. So this is kind of the basis of 'make things better.'

Your predecessor, Ken Tomikawa, said that the pioneering of the Customer One project was the highlight of his tenure at Toyota Canada. Is that a high priority for you as well?

Customer One is a program to create the best customer satisfaction. And for me, the ultimate target is to create the best customer satisfaction in Canada. There are surveys showing that Toyota has one of the top global customer satisfaction rankings in the car industry, but still we are not number one here. So I really want to firmly establish us as the outstanding customer satisfaction brand, number one in Canada. We can't do it alone, so we ask for help from our external agencies and more involvement from the dealerships. It's not easy, but it's a goal for Toyota. ■

What has been your biggest challenge in leading Toyota Canada?

At this moment, it's to make things better – how to make it happen, how to implement it everywhere. This I know is a very difficult subject, in the company culture and the dealership culture, or even the perception from the public. It's a beautiful slogan, but implementing it is the biggest challenge.

What innovation are you most proud of in your time at Toyota?

It's not necessarily that I'm proud, but my strongest belief is in rich communication among all stakeholders. The reason why Toyota has been growing everywhere in the world is this very strong, rich communication. We are especially proud of our relationships with our local dealerships, distributors and manufacturers. I think this relationship has been number one in the industry,

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who to watch.

CULT BRAND GROWING PAINS

By Carey Toane ▶



It's not the kind of press attention they're used to over at Lululemon Athletica, the Vancouver-based "yoga-inspired athletic apparel" company accustomed to charming the stretch pants off the PR machine. Last month, a shareholder commissioned an independent test of the health claims of the retailer's VitaSea garments and sent the controversial results to the *New York Times*.

The accusations of false advertising around the fabric's benefits knocked the company off balance. After days of swan-diving stocks and general confusion, Lululemon CEO Robert Meers responded to the allegations in a press statement, saying, "We absolutely stand behind our products, our processes and refute any claims in recent press reports to the contrary." At press time, the claims on VitaSea garment tags were hastily covered over in stores, pending scientific evidence requested by Health Canada.

If you're holding your breath for an aggressive, fight-back ad campaign, however, you've come to the wrong retailer. "We have changed the hangtags on VitaSea products, but our marketing tactics have not changed," says director of community relations Eric Petersen. "We will continue to lead with innovative, grassroots, community-based marketing."

Our marketing tactics have not changed. We will continue to lead with innovative, grassroots, **community-based marketing**

Since Petersen joined the Lululemon team in 2004, the company has worked to balance its community-based mass-roots structure with phenomenal growth. While still based in Vancouver, the retailer has come a long way from boardsport retail pioneer Chip Wilson's single boutique/atelier/yoga studio in the Kitsilano neighbourhood almost 10 years ago. The curly A that is the Lulu logo seems to be on hems and cuffs everywhere; even Martha Stewart, more a fan of the brand than an athlete, plugged the line on her show in September. The number of stores has grown from fewer than 15 to 80 by the end of this year, with another 234 estimated by the 2010 Vancouver Olympics – for which Lululemon hopes to be the athletes' unofficial "clothing of choice." Sales skyrocketed 80% in the three months leading up to the July 27 IPO compared to the same period last year, and revenues from the company's stores increased by 98%.

Eric Petersen strikes a warrior pose to maintain Lululemon's focus under the weight of increased public scrutiny

That's where the trouble started, says Rich Price-Jones, creative partner at Toronto's Grip Limited. "None of this would have happened if it was still a private company," he says.

As Lululemon's profile grows, Petersen has stepped in as guardian of the brand. He oversees the work of the community team, which includes branding, PR, web and design, plus supervising an ever-growing number of regional teams. "Sometimes I have to tell people I'm the head of marketing to get them to listen



to me," he explains. "But really my responsibility [is] to direct the community relations efforts that we have."

Petersen commissioned Grip to perform a brand audit 18 months ago, which resulted in the development of guidelines around logo use and positioning. Up to that point, marketing materials had varied from store to store. According to the company's internal structure, the HQ, or "store support centre" (SSC), creates customized promotional materials to

the stores and helps to facilitate best practices. In turn, the stores, which are organized into approximately 12 regional units, develop their own local events and promotions around SSC guidelines – the most successful of which, such as men's shopping nights during the holidays, are often picked up and spread company-wide.

Petersen has worked to integrate this community focus into Lululemon's corporate fabric, in everything from job titles to R&D. Even the IPO was a community affair, with a huge billboard in Times Square featuring all 1,900 employees. This mass-roots model has often led to comparisons between Lulu and Starbucks, a connection that was made literal when former Starbucks CFO Michael Casey joined Lululemon's board in October.

Like Starbucks, Lululemon has eschewed mass advertising. Petersen and his team talk of category mainstays such as celebrity endorsements and hired models with disdain. Instead, they scout out local athletes to act as brand ambassadors, wear the clothes and appear in the marketing materials unique to each store. It's a strategy that has set Lululemon apart from the Nikes and Adidas of the world.

GLOSSARY

community relations team: the centralized marketing department, which has grown from two to 25 people under Petersen's watch

educators: sales staff working in retail locations, currently numbering 1,500

guests: shoppers, who bought \$58.7 million (U.S.) worth of Lululemon product over the year ending July 2007

store support centre: company headquarters, located in Vancouver. A new Leadership for Energy and Environmental Design Silver-certified HQ will open in Vancouver next year

Oqoqo: an organic line produced with materials such as bamboo, organic cotton and hemp

Luon™: a nylon-Lycra blend fabric developed by Wilson and designed to wick away moisture and give four-way stretch

Want to make a fresh start in life? It may seem a little morbid, but other, say, 6000 years, tops. The pundits are as recently picked up steam. Why, it was only codified in an ancient text called the Rig Veda. Sure, it's been around for some 7000 years. The fact that it's a form of activity that increases circulation, reflexes, balance, mental alacrity, awareness. But does it really have anything to do with spirituality? You're like one of the tens of millions of people who have jumped on the bandwagon over the past 70 centuries, don't you? Find yourself in the year 8007 putting your yoga mat down. In the meantime, if you still want to ride out this fad, come and visit us.

lululemon  **athletica**

Lululemon transit ads poke fun at the near-religious fervour around the brand

"We have turned down hundreds of amazing opportunities – from Hollywood to some of the biggest names in consumer products – to do partnerships," Petersen admits. "We only do it if it's relevant to our guests and our staff."

The mass-roots mantra is word of mouth, and over the years the company has got people talking through both product innovation and PR stunts, such as the 2002 opening of the Robson Street store, where the first 30 people to show up naked scored free product. More recently, Grip produced a spoof viral ad for "L'odeur: the world's first internal cologne" – that is, sweat. Released five months ago, the clip has nearly 10,000 views on YouTube, and directs viewers to Lululemon.com.

Petersen's in-house PR machine has worked up a lot of free press, most of it adoringly positive. Founder Wilson is known for his unscripted remarks to the press, though after the seaweed debacle, that might change, says Price-Jones, as the brand adjusts to its new position in the public eye.

Petersen is no stranger to the art of PR, having started his career in Washington in 1991, doing PR for George Bush Sr. "As soon as I got into government, I realized that was not a place I wanted to be," he says. He left

to organize tennis tournaments for sports marketing firm ProServ the following year.

"I've always wanted to combine sports with my career," says Petersen, who plays hockey, surfs, kayaks, coaches his kids' soccer teams, cycles and, of course, practices yoga, which he discovered after moving to Vancouver in 2001.

From 1994 to 2001 Petersen worked for Electronic Arts in San Francisco and London, where he successfully marketed U.S. sports games such as *NHL Hockey* using the same strategies he applies to Lululemon today. (Lululemon famously runs only one long-standing ad, in the American magazine *Yoga Journal*.) "We realized that athletes were playing the games in their downtime, and we leveraged that in our advertising and worked very closely with athletes," he recalls. "We only advertised, TV-wise, on ESPN. We really stuck to our core, and built that up."

There are already signs that Lululemon's core of loyal consumers will see the brand out of this rough patch. "They've still got that cult, grassroots appeal. Wherever they open, people have been talking about it, people are running into the stores. And the sales are phenomenal...their consumer is probably not too concerned," says Price-Jones, who thinks something along the lines of a letter from Wilson to consumers would work to reinstate faith in the brand. "It will have an impact, but ultimately, as far as their loyal consumers are concerned, it will be a minor blip that will probably disappear."

In the future, the challenge will be staying the course through competitive threats. "The issue going forward is staving off competitors that are actual competitors, not stockbrokers," says Price-Jones, who is skeptical about Lululemon's ability to maintain the same mass-roots approach at 300 stores that it has at 80.

Petersen is unfazed. He insists that "nothing's changed other than the volume of work that we do. We're not doing anything differently: you won't see us on television, you won't hear us on the radio...It goes back to yoga, which is a combination of the physical and the mental. If you're grounded, you know where you want to be and how you want to get there. If we stay true to our core, we'll be fine." ■

M&M DOES DOWNTOWN

By Mary Dickie ▶

M&M Meat Shops has been selling frozen packaged meals in suburban malls for 25 years. But now the Kitchener, Ont.-based specialty food chain, which has more than 400 stores across the country, is testing a new concept – not just another line of seafood skewers or stewed beef, but a different kind of retail experience altogether.

In view of the explosion of urban condo development, the company launched

M&M Meat Shops Uptown in, uh, downtown Toronto. The first location is at Front Street and Blue Jays Way – a short walk for 20,000 busy urban professionals looking for high-speed meals. It features a computer kiosk for downloading recipes, extended hours and in-store consultants, plus serving platters, gourmet sauces and more single-serving meals. Says M&M's president and COO, Gary Decatur, "We're capitalizing on the condo boom, right in

the heart of that market."

The store opened Nov. 2 with a fundraiser for the Daily Bread Food Bank, which benefits from the sale of reusable shopping bags until Dec. 31.

Decatur says M&M is looking to open 12 to 15 more shops in Toronto, followed by Vancouver, Calgary, Ottawa and Montreal.

M&M developed a promotional flyer, calendar and website (MMUptown.com), while Toronto agency Taxi 2 arranged a billboard beside the store.

We asked **John Torella**, senior partner, branding, retail marketing and communication at Toronto-based J.C. Williams Group, and **Susan McGibbon**, founding partner of Toronto-based brand experience lab Chemistry, to weigh in on the new concept.

CONCEPT



Torella: Retail leaders like Tesco in the U.K. and Metro in Germany have responded to the need to service the growing segment of urbanites and opened smaller, convenience-driven retail outlets. M&M Meat Shops' new concept is a reflection of this important segment, and they've done it with a unique brand concept that focuses on specialty frozen foods and accessories. As well, the opportunity to talk to food consultants is a huge competitive advantage. The concept is a winner that will drive accelerated growth to other urban areas.



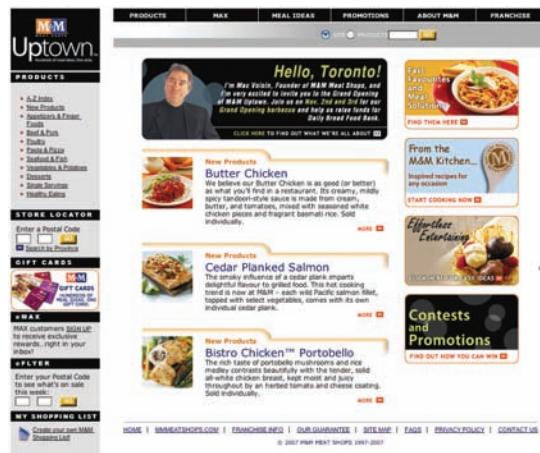
McGibbon: M&M Meat Shops is right to chase this exploding demographic. Putting prepared meals at the fingertips of the busy urban condo dweller is a great idea. From a business perspective, it is a fabulous growth opportunity. But certain elements of the brand do not travel so well from suburban bungalow to urban bunker.



WEBSITE/ON SITE

Torella: The urban consumer is looking for information that can help them with their food/grocery needs. Computer access to recipes and meal planning and extra cash registers help enhance the total in-store experience.

McGibbon: The website presents as a consumer packaged goods brand, with none of the upscale cues found in the store. And without the ability to order online, what's the point? Nice try, but not uptown enough for a downtown crowd.



DESIGN/BRANDING

Torella: The sleek store design reflects the dynamism of the city centre and is sure to be in sync with younger customers' lifestyles. The reusable shopping bag and fundraiser help create word-of-mouth advocacy. It's a great mix of traditional and new media.

McGibbon: The finishes inside the store are dark and elegant, but the sign is bipolar. We have the orange and blue M&M, very much a consumer packaged goods logo, alongside a slim, white 'Uptown' on a silver background. There's no reason why M&M could not have done its logo in white to make it more urbane. And 'Meat Shops' suggests a meat-only lineup when there are desserts, pastas and sauces too. 'Meat Shops' doesn't cut it, as a product descriptor or a call to action.

MERCHANDISE MIX

Torella: The focus on express meals and single portions is right on, and the accessories and sauces add a sense of experience and know-how.

McGibbon: Accessories and gourmet oils hint at a more urbane palate, but the frozen entrees in generic white boxes are identical to what you'd find in a suburban store.

The creds

Client – M&M Meat Shops

Mac Voisin, founder and chairman; Gary Decatur, president and COO; Chris Styan, marketing director

Web design – PGeSignature

Store design – Sketch Design

Thom Antonio, founder

PR agency – Strategic Objectives

Adriana Lurz, account manager; David Weinstein, media relations director

Agency – Taxi 2

Jeremy Gayton, VP/GM; Lance Martin, CD

If social media and Web 2.0 tools can turn a nobody into a household name, what can they do for your brand? Some marketers are grappling with that question, while others are jumping in and “joining the conversation.” *Strategy* explores the ins and outs of making friends online in part one of a two-part series.

PAY-OUT & PAYOFF

Adventures in Web 2.0 – Vol. 1

◀ By Jesse Kohl ▶

It's all good if you have sticky content, such as music or video assets, to reel in fans, but can marketers from any category succeed in the social media space? Will consumers befriend a product just because it has Web 2.0 presence? And which is better: a thousand views on YouTube, or one brand advocate joining your community?



RBC gets social with its peer-to-peer online forum, RBCp2p.com

RBC dangles dollar bills to trigger online R&D

RBC Royal Bank of Canada has embraced social media as a means of moving into a new era of collaboration with consumers. Last year, the bank entered the online space in a big way with the Next Great Innovator competition, which reached out to the very well-networked and well-connected student segment. This pilot launch in the fall of 2006 sowed the seeds for RBC's current Web 2.0 strategy.

University and college students were asked to describe an innovative idea that financial institutions should consider implementing. Working in teams, students submitted proposals, hoping to win a chunk of the \$45,000 prize pot. RBC marketed the competition at 18 schools, using posters, campus newspaper ads,

To get some answers, and to explore the social potential of diverse categories, we checked in on what Canadian banks and book publishers are doing with social media. Why banks and books? They represent two ends of the marketing spectrum: one has marketing dough but not a lot of story; the other has content to share, but far less wherewithal to get the word out. Also, both categories have been playing around in this space for some time now, and their strategies are evolving based on what they've learned.

This month, we look at the banks. Next month, we'll report on the book publishers.

recruiting sessions, interaction with clubs, word of mouth and its fall campus flyer. Submissions arrived from 45 institutions (a total of 269 teams of three to four students each). And within a window of about six months (September through to the awards in February), NextGreatInnovator.com recorded 43,175 unique user sessions, 176,000 page views and 8,913 views of the first public-facing blog by a financial institution.

“That speaks to the viral nature of the way communication spreads and the way initiatives take off with this demographic – which is part and parcel of the social networking phenomenon,” says RBC's head of innovation and process design, Dr. Anita Sands. “Given that our

target was to have 50 teams register, and that we only marketed at 18 institutions in the pilot year, we view this as an inordinate success.”

This year, RBC upped the number of schools targeted to 24. The bank is repeating last year's tactics, but it kicked off the contest with an earlier awareness phase in August, establishing contact with professors, clubs and administrators. In 2006, only one professor embedded the challenge into the curriculum. This year, seven professors at five schools have done so.

There's also a mobile extension called “Innovation Idol,” in which students can sign up for text alerts about the competition. By the end of October, there were 150 active teams and interested observers

Early content on RBC's Facebook group, Campus Connection, by BBDO Proximity

enrolled in the contest's SMS component.

Using the mobile component to drive students back online, RBC has also added features to NextGreatInnovator.com, including a Google mashup map, which tracks team submissions geographically and links to team profile pages that include user-generated content. There's also an innovator quiz hosted by an avatar named May, which was adapted to a Facebook game in October. And users can get involved in choosing the winners. One of the five finalists will be chosen by students with an online peer-voting initiative in January.

NextGreatInnovator.com went live in the third week of September, and the number of first-month user sessions was triple that of the competition's first-month success in 2006. RBC Campus Connection, a sponsored Facebook group, went live at the end of August and helped to drive that growth. By mid-November, the sponsored group had more than 2,760 members, and Sands says about 25% of Innovator referral traffic at the beginning of October came through Facebook.

"We were determined, given our understanding of this particular segment,

to invoke as many Web 2.0 and social media tools in the creation of the website as we could," says Sands. "This is what they use all of the time. And it's a very effective way for us to redefine our relationship with this particular client group."

And RBC reaped the benefits of engaging an idea-soaked demo. One of the proposals submitted laid the foundation for RBC p2p – the bank's own peer-to-peer online forum, which aims to become a student-managed community for sharing financial concerns and ideas.

RBCp2p.com went live in time for the back-to-school season, with former college student Michel Savoie as host. The bank is offering a laptop, digital cameras and part-time wages for six postsecondary student bloggers who will represent their peers on RBCp2p.com, with winners announced in January. Users uploaded videos to the site until the end of October, while Savoie hit the road to capture on-the-spot video submissions at various campuses. By

going on," says Sands. The platform also drives users to RBC's student VISA and banking programs, scholarships, on-campus promos and RBCroyalbank.com/student, where the bank is using several podcasts (which also stream directly to Facebook) as a marketing vehicle.

"We view this as a way of redefining our relationship with these clients," says Sands. "What we're seeing is that these social networking forums are connecting with our clients in a way that resonates."

And the bank is also entertaining its Facebook friends. For the month of October, for instance, the top-of-page content on RBC Campus Connection was the "Crime Doesn't Pay – Our Free Banking Does" slogan, developed by BBDO Proximity Canada and tied to bathroom posters, campus events and a Facebook video series by the fictional CIAAA (Campus Investigations And Apprehension Agency). Students don't have a lot of money, one investigator says via mock-video, and so sometimes they take things. In true college humour form, the video follows the investigator into a washroom stall to wait for Toilet-Paper-Taker Thompson, and antics ensue.

There was also a student mugshot section, where users could retrieve shots taken during on-site campus visits by RBC, and a free-trip-to-Australia contest for those who signed up for free student banking. By mid-November, RBC had changed up the Facebook group to promote RBCp2p.com,

What we're seeing is that these **social networking forums are connecting with our clients in a way that resonates**

mid-November, the site was hosting pages and pages of user-generated videos by students pitching themselves for the job, while RBC encouraged visitors to rate submissions – many of which racked up hundreds of views.

RBC's internal marketing and HR staff narrowed the list of applicants down to the top 12. This month, the site was set to hand control over to students at RBCp2p.com by kicking the contest into its peer-voting phase.

By February, RBC expects even better results, with Next Great Innovator wrapping up its second awards show and RBCp2p.com engaging students with six new demo-tapped bloggers. Until then, the bank is promoting the two initiatives on Facebook.

"We use that as a sort of portal to pull in all of the Net-Gen-related activities we have

urging students to "Be a Celebrity. Only Smarter." Streaming video featured students who'd pitched themselves at RBCp2p.com, with an invite to rate the content.

"Our definition of innovation is that it connects what's possible to what's valuable to our clients," says Sands. "We recognize that the world is moving into a new era of consumer-designed products and services. So a model of open innovation and collaboration with our clients is a much better way to sort the ideas that matter to them."

"This is a group that very much wants to engage, to share opinions and to be heard, and is used to being incredibly well-networked and well-connected. It's a new era of collaboration with clients and how we react to those kinds of dynamics."

Students like free stuff: Why TD has 11,815 friends

RBC dipped its student outreach strategy into an existing social media platform and managed to build its own. By contrast, TD Canada Trust's student outreach has focused solely on Facebook. Interestingly, while TD's social media strategy is still in its early stages, the bank has lapped its larger competitor when it comes to making friends.

The TD Money Lounge hit Facebook in mid-August in a bid to reach the 18-to-24 student demo. Calling it a pilot project, TD approached the social networking utility as an experiment, setting an initial goal of 10,000 members. The number seemed reasonable, considering what others had achieved with Facebook. (At the time, the Molson Canadian Nation Facebook group had over 14,000 members.) The TD Money Lounge passed its target in about seven weeks and by the middle of November had 11,815 members – more than four times the membership of RBC Campus Connection. The only things promoting TD Money Lounge are on-site campus events and banner ads on Facebook, although the bank's announcement of the pilot did get picked up by the *Toronto Star*, *NOW* magazine and the *National Post*.

TD Canada Trust VP marketing Sue McVey says the bank learned one thing right out of the starting gate when it launched TD Money Lounge: "Students like free stuff." That, combined with ties to TD's environmental initiatives, helped drive growth and make the Money Lounge sticky with students.

The first phase of the pilot featured \$10 coupons for Roots, Zellers, Best Buy and Empire Theatres, as well as a tie to the Great Canadian Shore Clean-up. On Oct. 1, the



TD's \$plit It Facebook app by Segal Communications

New content hit the TD Money Lounge group in mid-November, including the \$100,000 Go Green Challenge, which offers four prizes of \$25,000 each to student teams who draft feasible ideas about how to improve the environment. All creative for the Facebook program was produced by Janice Diner, CD for Segal Communications.

The page also links to student-targeted content, such as career tips, the 2008 National Student Entrepreneur Competition (worth a \$10,000 cash prize) and TD's own Facebook application \$plit It, which helps roomies divide up their bills. The bank lets users log in to their TD accounts without leaving Facebook.

McVey says the bank's pilot project is helping to define a model for interacting with consumers in the social media space.

"There is no benchmark on how many

There is no benchmark on how many people you'll get and when, and what drives membership and stickiness

bank changed the creative and promoted buy-one-get-one-free Domino's Pizza coupons (the "Roommate Special"), along with a new environmental initiative that promises the bank will donate \$1 to its TD Friends of the Environment Foundation for every Facebook user who refers a friend to the group. By the end of the month, the green thermometer measuring the status of the drive showed that \$1,500 of the \$5,000 target had been raised.

people you'll get and when, and what drives membership and stickiness," says McVey. "The big reason we're in this is to learn. It's not about ROI or about selling products at this point. This is about understanding this media, and how we're going to interact within it. Where we're really learning is in the dialogue, the wall posts, the self-generated topics, what happens when we post a topic, and how often we have to go in and out. Nobody's got it mapped out."

Scotiabank evolves its email newsletter into the MyVault community

And then there's the world *not* according to Facebook. That's where Scotiabank has put most of its resources when it comes to reaching consumers via Web 2.0 tools.

Scotiabank made some waves in the social media space when director of digital marketing Michael Seaton launched the bank's first podcast, *The Money Clip*, in the fall of 2006. Following its debut, *The Money Clip* quickly shot to #1 in the business category on iTunes, up against content by the likes of the *Harvard Business Review* and the *Wall Street Journal*. Seaton says *The Money Clip* and the bank's second podcast, *Find the Money* (with investment industry vet Fred Ketchen), are "constantly top-ranked in the business category" on iTunes.

But the bank hasn't stopped there. Scotiabank's entry into the world of Web 2.0

and social media, combined with long-running permission-based email programs, have now evolved to include the MyVault site, which went live at the beginning of the summer. The project is an extension of *The Vault*, a monthly Scotiabank email newsletter targeting retail and small-business clients, and *The Money Clip*. The website (myvault.scotiabank.com) is content-driven but allows users to participate via personal tools such as functional calendars, community forums and RSS aggregators for MyVault news feeds.

While Seaton would not comment on web traffic or membership details, he did say the project is being promoted to about 1.5 million subscribers of *The Vault* newsletter, which launched in 2001. Seaton says the MyVault online community essentially gives a "home destination" for *The Vault*'s subscribers.

"In the world of 'wisdom of the crowds' and open-source communication, we wanted to provide a facility that would have consumers speak to consumers and customers speak to other customers, guided by a library of content," says Seaton, who also co-created the Canadian Marketing Association blog and publishes his own, *The Client Side*. "We launched it a few months back, and it's been basically a word-of-mouth, grassroots type of program where we communicate to the customer base that is currently receiving the emails, getting them to come on board."

"It's very early days, but we're seeing a good percentage of our email subscribers becoming users of the site," he adds. "And once they become users, they are extremely active within the site. People who are using it are using it a lot."

Vancity goes beyond the vault for social action



Above: rotating banners from Vancity's ChangeEverything.ca Opposite: the community is "powered by Vancity"

If you build it, will they come? That's the question. Obviously, there's got to be a draw of some kind, and it doesn't have to be about banking. Perhaps one of the best examples of this comes in the form of B.C. credit union Vancity targeting Vancouver and the Lower

Mainland with its ChangeEverything.ca social media site. It's a story about "powering" a community, rather than pushing out content or discussions about money issues.

ChangeEverything.ca emerged in the summer of 2006 from the credit union's branding

campaign with TBWA Vancouver. The campaign drove home the theme that bringing your money to Vancity can change the way it works for you. Working with Social Signal, a Vancouver shop that specializes in building online communities, Vancity has added an innovative community-driven layer to its marketing and brand strategy that has paid off in goodwill among users and an overall halo of positive exposure for the brand.

Originally modelled after the social site 43 Things, ChangeEverything.ca is billed as "a community-powered site by Vancity." Users share ideas and encouragement about changing their world for the better.

In November 2006, the site's moderator wrote a blog post titled "Got Hats?" that called for donations of warm clothing for people staying at shelters, and 48 hours later the ChangeEverything.ca community had collected an estimated 4,000 articles of clothing and delivered them to shelters.

In June of this year, Vancity initiated the ChangeEverything.ca bikeshare program, which fits with the company's image as a promoter of green transportation alternatives and its desire to make a difference in the climate



Congratulations Tatania Tucker, Media Director of the Year.

Where would we be without you?

change issue. The company seeded 45 branded Vancity bikes and urged the community to find them, use them for three weeks and then pass them on to a friend. Both "Got Hats?" and the bikeshare program delivered major media exposure for ChangeEverything.ca and Vancity.

Registration goals for 2006 (500 users) and 2007 (2,000 users) have been surpassed. By early November, the site's registered user base had grown to more than 2,600 and recorded more than a half a million page views.

"From a marketing perspective, certainly there are 2,600 people here," says Vancity's director of brand marketing and communications and acting VP marketing, Sloan Dinning. "Some are existing



They're aligned with our value system as an organization, and that really helps in terms of word-of-mouth marketing

Vancity customers, and many aren't. But they are all brand advocates. They're aligned with our value system as an organization, and that really helps in terms of word-of-mouth marketing."

As to the ROI, Dinning says, "I could not make the direct connection by saying we spent

a dollar here and we got a dollar back. But we do monitor brand attributes through an ad and brand tracker, and we have seen those remain very strong. During the bikeshare program, we achieved our highest ever share-of-mind advertising awareness. So it definitely added

momentum behind the brand."

ChangeEverything.ca users have also tagged 1,634 photos on the photo-sharing site Flickr. Dinning says Vancity is keeping the community engaged via weekly surveys and contests, and will likely integrate video functionality into the site, possibly by next year. In the meantime, the newest addition to the ChangeEverything.ca community is the ChangeSomething contest, which asked users to suggest causes deserving of a \$1,000 donation. The initial list reeled in about 2,000 votes over a few weeks and created a spike in traffic and registered voters for the site.

"One of the most difficult things with ChangeEverything.ca is how you measure it," says Dinning. "The community builds the content, for the most part, so it's hard to know what it's going to do. You have to be nimble and explore new territory at the same time."

Many of marketers in the diverse categories *strategy* has canvassed concur, confessing that they often have no sense of whether they will attract 200, 2,000 or 20,000 responses before they start one of these programs. Fortunately, most failures aren't high profile, while the gains can include fresh consumer research and even new product ideas.

And if banks can compete for interest with Tila Tequila, what are you waiting for? ■



Congratulations DDB on Agency of the Year!

BC hydro 
FOR GENERATIONS

GLOBALIZING IDEAS

From Mumbai to San Juan, OpenAd proves ideas really can come from anywhere

◀ By Annette Bourdeau ▶

Want access to over 9,000 creatives in 122 different countries? Thinking the concept was worth a shot, P&G recently tested Slovenia-based OpenAd, which describes itself as "the world's biggest creative department," for its Gillette business in Puerto Rico.

The web-based community at openad.net enables marketers to browse the work of thousands of creatives across the globe. They

"The ideas must be in addition to, not in place of, working with the creative talent at our agencies," she says. "The tool doesn't offer the strategic guidance, account management or executional capabilities that are key to an idea being successful in the marketplace."

Jones says P&G has been testing OpenAd on other brands, too, but declines to speculate about future use of the tool.



can buy existing concepts and designs from the site's gallery or solicit pitches. Co-founder Katarina Skoberne says calls for pitches never attract fewer than 20 responses, and go all the way up to 850.

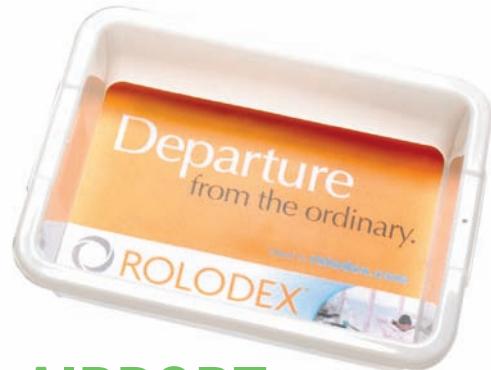
"We saw OpenAd as another way to stimulate and broaden our own thinking," says Tami Jones, spokesperson for Cincinnati-based P&G. "We wanted to have first-hand experience with what we had only heard about from our agencies as well as other clients who are using OpenAd."

The Gillette brief for its Fusion razor landed hundreds of responses from over 21 countries. Latin America is home to 20% of OpenAd's creatives, while 15% are in Asia, 32% in Europe, 20% in the U.K., 6% in the U.S. and Canada, 4% in Australia and 3% in the Middle East and Africa. The winning concept, "She knows the difference," came from Live 1 Entertainment in Mumbai, India. P&G paid \$1,000 U.S. for the idea, but its agencies need not worry, says Jones.

Past work from the site has paid off for both brands and creators: the website g8rally.com for London, U.K.-based humanitarian group Make Poverty History won a Cyber Lion at Cannes in 2006, when OpenAd was still in its testing stage. The winning pitch came from two creatives at London-based Agency Republic, who got permission from their employer before responding. Later, New York-based UNICEF saw the site and retained Agency Republic to work on a global initiative.

Creatives can join OpenAd for free, while marketers can access it for a fee starting at \$3,000. Skoberne says remuneration is still a tricky issue. Currently, marketers are asked to specify what they're willing to pay for winning pitches; when they don't, creatives can include their asking prices when they respond.

OpenAd has offices in eight countries, and plans to set up a North American base in the States in the very near future. ■



AIRPORT SECURITY TRAY ADS SECURE A CAPTIVE AUDIENCE

Advertisers interested in putting their message in front of an extremely alert audience may have found the perfect medium: airport security trays.

St. Petersburg, FL.-based SecurityPoint Media has worked out a deal with the U.S. Transportation Security Administration (TSA) and 10 American airports to provide ad-laden security bins, tables and carts. The airports get cleaner, higher-quality security areas and a piece of ad revenue. SecurityPoint president Joe Ambrefe says they've had discussions with the Canadian Air Transport Security Authority (CATSA) about bringing the system here.

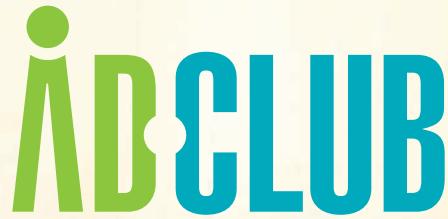
Shortly after SecurityPoint launched in pilot mode in 2006, Oakbrook, IL.-based Sanford bought its entire available inventory for over a year to promote its Rolodex brand. One of four executions read: "Departure from the ordinary. Travel to Rolodex.com."

SecurityPoint officially launched earlier this year, with space available for other advertisers. "Airports are well identified as a great place to capture early adopters," says Ambrefe, adding that the average traveller uses 2.5 security trays when passing through checkpoints.

SecurityPoint has a creative arm to help clients adapt their work for the medium. Ambrefe says the trays are best suited for big, bold branding campaigns with about six or seven words in total.

Online retailer Zappos.com recently expanded its presence from two to five airports. One cheeky execution features an outline of a shoe with the headline: "Place shoes here. Buy shoes here: Zappos.com."

Prices are based on the passenger traffic flow of each airport. Advertisers can do package buys at airports across the country, or regional buys. The minimum buy is 90 days. **AB**
www.securitypointmedia.com



The Ad Club is proud to announce changes to its Board of Directors

Jane Bradley is the newly elected **President** of the Ad Club and Publisher of ParentsCanada magazine. **Krysten Cooper**, Account Director at Juniper Park, succeeds Jane as the Ad Club's new **Vice President**. Taking on the role of **Communications Director**, **Stephanie D'Amico** is a National Account Executive at the Toronto Star. Susan Byng is succeeded by **Renee Hill**, VP eyeReturn Marketing Inc., as the new **chair of Internet Day**. **Susan**, Associate Director – Strategic Alliance, Sympatico MSN remains on the Board in the newly created role of **Director of Marketing & Corporate Partnerships**. We are also pleased to announce the addition of new Board members, **Laura Maurice**, Manager of Print Investments, Starcom MediaVest as the **chair of Magazine Day** and **Andrew Cherwenka**, VP Biz Dev at Trapeze as **Membership and Interactive Director**. Andrew succeeds Brian Makse of Upshift Marketing Group who has been Membership Director for the past two years.

Thank you to all our members and industry partners who came out to our events and helped to make 2007 such a fun year. We're looking forward a great 2008.

Don't miss our first event of 2008. Newspaper Day will be late January/early February. Watch the Ad Club website for more details.

Great Statements

help companies build stronger customer relationships.

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Innovative companies know how effective a well-designed statement or invoice can be in improving customer retention and increasing "share of wallet". These organizations recognize the unique opportunity that their transaction mail provides to engage their customers on a personal level, and to bring increased value to the relationship. In fact, the most innovative companies have started to view their transactional mailings as regularly scheduled one-on-one meetings with each of their customers.

The daily process of retrieving and reading mail is a deeply entrenched consumer behaviour, and studies show that mail is opened and read with greater regularity and attention than any other media. In fact, 73% of Canadian households check their mail at least every business day, and 89% of Canadians read their mail the day they receive it.

The highly customized and personal nature of transactional documents – coupled with the high open rates associated with mail – provides companies with the ideal vehicle to reach their customers with relevant, targeted messages.

89%
of Canadians read their mail the day they receive it.

Enhancing your customer experience begins with enhancing your customer statements.

407 ETR (Express Toll Route) is one organization that has recognized and seized the opportunity to turn their statements into customer retention tools.

"From the beginning, we recognized the importance of communicating clearly with our customers," says Steve Spencer, Marketing Manager. "And we knew that

the account statement would be an effective way to reach them."

The redesign project has been an overwhelming success. By making it easier for customers to find the information

they need when they need it, the new statement has reduced account management costs by 38% and overall call volume by 15%. What's more, the new statement encourages customers to take advantage of the 407 ETR Rewards program, which thanks customers for their business with free weekend kilometres and savings on gas. Adds Spencer, "there's no doubt that the new statement has led to increased customer satisfaction and loyalty, and helped us build the 407 ETR brand."

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communication tools. See how your statements and invoices measure up by completing the interactive Take the Test exercise at canadapost.ca/takethetest.

Also available on the website is a free white paper entitled *Great statements improve customer relationships*. Written by industry experts, the study provides valuable insights and quantitative measurements of statement quality. The findings can help companies create statements that deliver powerful marketing messages, build better client relationships, reduce administrative costs and increase sales.

A well-designed statement can go a long way towards building stronger customer relationships. Perhaps it's time for your company to start leveraging this valuable – and often overlooked – part of your customer communications mix.

Sources:

Canada Post Corporation: 407 Case Study, Canada Post, 2007.
Great Statements Improve Customer Relationships, Canada Post White Paper, November 2006.
The Value of Mail Study, Marketing Research CP #07-27, September 2007.

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custom PUBLISHING

It was once a niche media stream garnering little – if any – attention. No longer. Custom publishing is coming into its own, and fast.

While traditional communication channels continue to feel the pinch of a fragmenting market, recent stats peg custom media growth between 8% and 10% annually in North America. In the U.S., customized content is growing at a faster pace than traditional media. In Europe, it's been called a publishing phenomenon, and custom titles are often in the top 10 magazines by circulation.

We're talking about the business of producing magazines – or website content and even TV and film productions – for companies looking to talk directly to their market through editorial content. Decked out with a slick design, quality editorial and sophisticated photos, these snazzy publications nimbly combine relevant, informative content with a powerful marketing message that aims to spur the reader to action.

It often does. A recent study by the New York-based Custom Publishing Council revealed that 74% of respondents took at least one action in the previous year after reading a custom magazine. Clients regularly report increased ROI in the form of web traffic, POS transactions and brand recognition and loyalty.

So the verdict is in: Custom media is a key part of today's marketing mix. And it's here to stay.

REDWOOD CUSTOM PUBLISHING: engaging the consumer

“There is a new order of marketing that is emerging,” comments Eric Schneider, CEO of Redwood Custom Publishing. “While traditional forms of marketing still have validity, brands are seeing that they can actually establish their own controlled media streams, and these include custom magazines.”

Custom magazines – as well as other custom media – are what Redwood is all about. The Toronto-based company has published titles, and cross media branded content programs, for some of the world’s biggest brands, including Kraft, Sears, The Home Depot and Mazda International, and recent sign-ups include Principal Financial Group, Sotheby’s International Realty, and Rubbermaid in the U.S.

“It’s what I would call permission marketing,” says Schneider, by way of explaining the sudden surge of interest this side of the Atlantic. “Custom media allows clients to be far more targeted in communicating with a segment of their consumer database, with a lot of measurement behind it.”

Value to the consumer can be delivered through content applied against the marketing objective, says Schneider. So long as consumers are aware of the product push, and provided with solutions relevant to their lives, lifestyles and interests, a branded magazine can be a goldmine for ROI.

“Consumers are consumers,” says Schneider. “They are commercial and they are looking to purchase. They will appreciate a magazine or web site that is quite clear about where you go and get it. And being able to dial up the presence of brands in the communications stream and still maintain value to the consumer is huge.”

Redwood’s magazine for Kraft, for instance, would regularly engage consumers with practical, easy solutions. The cooking tips, hints and recipes found on its pages drive them to the product, leading to a transaction. “Instead of getting an ad articulating the USPs around, say, Philadelphia Cream Cheese, readers get a solution – a great meal idea that they can make in 15 minutes,” says Schneider.

The company’s online content for LendingTree, an online lending and realty services exchange, has a mandate to drive conversions of users looking at mortgage options. So there is a lot of sticky information that gets them into the site,



Redwood launched the Zoom Zoom magazine program in September 2007 for Mazda International.

appreciating issues they face as home owners, and, ultimately, looking to LendingTree as a source of mortgages.

Versioning is another great advantage of the custom channel. Redwood’s magazine for Mazda, a global initiative with its partners in the U.K. and Tokyo, contains both international content as well as localized content for each region. Opening the magazine, readers become part of the auto brand’s global community, but they also reap the benefits of content created just for them.

“Like-minded consumers come together in a space where there is commonality of interest and it is tied into a brand. But these initiatives become more powerful the more relevant the actual communication is to your target audience,” points out Schneider. Versioning, he adds, is not something traditional newsstand magazines can offer.

All round, says Schneider, Redwood’s magazines have seen response rates between 15% and 30%, and research with control groups receiving the magazines shows “dramatic

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*THE AVERAGE TIME A READER SPENDS READING A CUSTOM MAGAZINE SOURCE: APA/MILLWARD BROWN UK 2005

transcontinental
Building valuable relationships

Redwood develops award winning web content for Expo.com, a division of The Home Depot

GREEN LIVING ENTERPRISES: MORE THAN JUST PUBLISHING

Custom publishing is but one item on Green Living Enterprises' menu of products and services. It also offers clients multiple platforms of brand extension via corporate consulting and marketing, content development, online communications, events and environmental partnerships.

"We're your all-encompassing green solution," says Laurie Simmonds, the company's President and CEO. "We'll work with you to conceive and implement brand communications and then we'll give you built-in opportunities to deliver that messaging directly to your customers."

As an example, Green Living Enterprises recently developed a comprehensive assortment of communication vehicles for condominium developer Tridel for its eco suite, a model green condo suite in Toronto. All messaging materials, including creating and producing a magazine and room-by-room in-suite signage, were created by GLE ensuring visitors were informed of every eco feature.

Furthermore, not only was Tridel offered a turnkey contract-publishing approach, it was also offered exhibition space at The Green Living Show, a highly successful consumer event, advertising in Green Living magazine, and was also covered editorially in the magazine and on the Green Living website (greenlivingonline.com).

GLE provides this multi-pronged approach to all clients. "There's no one else with the level of eco-expertise, credibility and networking possibilities of Green Living Enterprises," states Simmonds.

improvement in the brand association and brand loyalty measurements."

While point-of-sale transactional data remains proprietary, Schneider says it reflects significant improvement in sales activity, with examples where "the initiatives pay for themselves, and generate incremental revenue."

SPAFAK: quality first

He may be slightly biased, but for Raymond Girard, a custom magazine is a brilliant way to cut through advertising clutter and reach consumers with content fashioned just for them.

"It's an incredibly noisy world we live in and it's getting increasingly hard to communicate with consumers," explains Girard, vp media and publishing at Spafax, one of Canada's early entrants

into the sector. "If you can get somebody spending a half-hour of quality time, at home, with your brand in their hands, that's of huge value to marketers."

No marketer would argue the point, but it takes more than sleek design and glossy stock to talk to consumers in a real and relevant way. When Spafax acquired Air Canada's enRoute magazine almost 10 years ago, it set out to change the custom magazine model that, bluntly put, didn't always deliver.

"We had an attitude that was different from what people were doing at the time, and from how most custom publishers approach their product today," says Girard. "Our view is that as soon as customers pick up a magazine they become readers and they want the same level of quality that they can buy at a newsstand."

A quick look at the 21 titles in Spafax's portfolio shows that the company regularly outshines

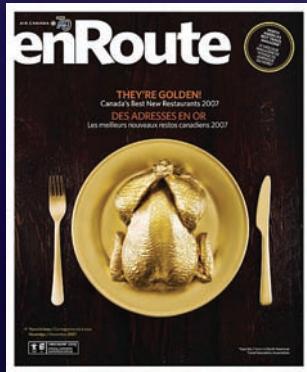


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REDWOOD: AHEAD OF THE PACK

Many traditional publishers are responding to shrinking ad dollars by moving to a marketing services model and offering custom communications solutions. Redwood CEO Eric Schneider discusses the implications of such a move for brands and media.

How do you define Redwood's core competency?

Our focus is taking a brand's business imperative and communicating it to a target audience through content. This turns it into a valuable consumer experience, offering solutions, entertainment or information.

Are you concerned about the move by traditional publishers to expand into marketing services?

What that identifies is a clear notion in their business model that the advertiser is a very important constituent. Providing depth of service to them is crucial, to the extent that brands are now recognizing that there are opportunities for them to own and control their own media streams. While it might fight against their core business proposition, which is creating brands that they own, at the end of the day they're recognizing the need to go deeper than ROP advertising for their advertisers and provide more of an agency service.

Where does Redwood fit into this world?

Those companies are content generators, now evolving to provide deeper marketing services, whereas Redwood is about marketing services in its initial orientation. We are a marketer. We understand brands, communication and strategy, and we've evolved to generating content. Instead of bringing that knowledge to our own proprietary publications or websites, we do it exclusively for clients.

What about consumers? Research suggests they seek out information from marketers before they seek "unbiased" opinions. Do you agree?

No question about it. There's a huge degree of awareness of brands and the connection to specific products is real. Automotive is a good example: You're going to go to BMW's website to check out their cars, and perhaps you'll go there before edmunds.com or any kind of unbiased source because you know you're going to get that specific brand – and you have an interest in that specific brand. There are other environments where people will seek consumer-generated content just to understand different points of view. I think branded content has a role to play in that environment as well, ensuring brands get their fair share of noise out there.

newsstand glossies. Its award-winning titles include EnRoute – which to this day remains a mainstay of the Canadian custom media market. The company also produces Show and Extra for Bell ExpressVu and in November it launched a new magazine for Investors Group.

"Readers don't care if you're Air Canada, or Ford, or Bell. They want a good message," says Girard. "A good



Air Canada's enRoute reaches over one million people every month all over the world.

publication respects the reader massively and understands what they are trying to get out of their lifestyle and out of the brand as opposed to just understanding what the brand wants to communicate."

In other words, the magazines don't fall into the trap of overtly pushing product at the expense of quality content. Custom mags are also rarely profit-generators in and of themselves – a point some businesses eyeing the sector miss when they see third-party ads. The titles generate revenue in the form of ROI, driving readers to their prime products and services. Fudge this line, and chances are you'll be disappointed.

But it's not all about magazines, emphasizes Girard. Today's market calls for a multi-platform approach, with more clients looking for cross-platform solutions. With Spafax's start as an entertainment company – it currently manages entertainment offerings for about 24 airlines – it can deliver what Girard calls "a total media offer."

"Even if clients don't want these services right away,

knowing that they are on offer and that their publisher is thinking in such a broad fashion is what differentiates us."

TRANSCONTINENTAL: building valuable relationships

While the popularity of the medium is unquestionably on the rise with marketers, some publishers have been providing custom content services for a long time. Among them is Transcontinental.

"Custom publishing is very much a hybrid between publishing expertise and a marketing agency with a strong client service function," says Stéphane Gagné, who heads up Transcontinental's custom publishing operations. "We have a history of creating successful newsstand magazines and we bring that expertise to the magazines we create for our clients' customers." Gagné points to the recent CPC editorial and design awards for Cellier, the magazine Transcontinental produces for SAQ, as an example.

With the fragmentation of traditional media, and interest in one-on-one marketing on the rise, custom media's targeted approach continues to have huge appeal. Like many publishers operating in this burgeoning sector, Gagné expects it to continue its rapid climb.

"The mass message does not have as much impact," explains Gagné. "People like to be spoken to in a way that relates to their life stage, to their beliefs and to their culture. Custom publishing allows that. It helps increase brand loyalty and sales; it provides measurable ROI and it can also be a great tool for customer acquisition."

Like many traditional publishers in Canada and the U.S., Transcontinental has been producing branded magazines on an individual client basis since the mid-'90s, for clients such as Wal-Mart, Home Hardware, Yellow Pages Group and the Canadian Automobile Association. Its most recent contract award was to publish the magazine for Look Good Feel Better, the philanthropic arm of the Canadian Cosmetic, Toiletry and Fragrance Association. The magazine is set to launch in spring 2008 with 1.5 million copies. More projects are in the works.

Last August the Canadian publishing powerhouse announced a joint venture with Seven Squared, a leading U.K. custom publisher to accelerate its entry south of the



Transcontinental's awarding winning Cellier magazine published for SAQ



CAA's Touring published by Transcontinental in English and French

SPAFAK: DOUBLING UP ON CULTURE

Some of Spafax's magazines may look like they're bilingual, but don't let that fool you. They are "bi-cultural."

"We don't just translate our articles," says Raymond Girard, vp media and publishing at the Montreal-based publishing house. "We adapt the article to the market we are speaking to. We like to say it's in two cultures."

In short, says Girard, a francophone reader will not have the same points of reference as an anglophone one. So an article on a Quebec pop star, say, would need to be positioned differently for each language group. "Our goal is for the reader to never know the originating language," he says. "That's our approach."

Uni-linguists may miss the subtlety of this slant, but it's an important one and it works. Spafax's bi-cultural enRoute magazine, which it acquired from Quebecor in 1998, has won an astounding 600 awards – and counting – and has turned into a marketing windfall for Air Canada.

The bi-cultural approach has also helped Spafax move into new bilingual markets such as South America, where it publishes the award-winning inflight magazine 'in' for LanChile.

For Girard, it's all about presenting content in a way that respects the reader, which he says is what makes – or breaks – a custom product.

border and to be able to provide a global solution.

"The growth of the market and the growth in the number of custom publications that we produce led us to decide that the time was right to offer our clients an international network and to operate in a more consolidated way," says Gagné.

GREEN LIVING ENTERPRISES: environmental communication that works

Going green is more than a fashionable trend. The truth is, environmental issues are now firmly established in the consciousnesses of individuals, governments and businesses.

It's essential for corporations to deliver credible green messaging in order to be taken seriously by consumers. "While most companies recognize the importance of eco-messaging, many are unsure about their green footing," says Laurie Simmonds, President and CEO of Green Living Enterprises, a Canadian-owned environmental publisher, consultant and media company. "By working with us, companies get an instantly recognized stamp of environmental approval."

As authentic eco-specialists, Green Living Enterprises has been partnering with corporations, governments and non-profits on green business initiatives for 10 years.

Clients can also tap into GLE's distinguished advisory board of environmental experts and organizations, including Mike Russill, President, World Wildlife Fund Canada; Christopher Hilkene, a member of the National Roundtable on the Environment and Economy; Ian Morton, CEO of the Summerhill Group; Michael de Pencier, Chairman, Investeco; and Dr. Rick Smith, Executive Director, Environmental Defence; among others.

In-house publications include its own Green Living magazine, Healthy Home, published for the Clean Air Foundation, The Home Depot's Eco Options magazine and Green Living Kids, published for the Toronto District School Board and funded by Wal-Mart.

Eco Options, a bilingual title with a whopping reach of a million readers across the country, moves consumer behaviour through content that links education with relevant product information. A piece on the diminishing fresh water supply, for



Recent examples of custom publishing from Green Living Enterprises, including The Home Depot's Eco Options magazine and Inspired, created for Tridel's eco suite.

TRANSCONTINENTAL: MAGAZINES IN THE DIGITAL AGE

Is there value in a custom print magazine in the digital age? According to Stéphane Gagné, there most certainly is.

Gagné is VP business development at Transcontinental Media and heads the company's custom publishing division Transcontinental Custom Communications (TCC). "People spend an average of 25 minutes with a custom magazine. What other marketing tool can claim to afford as much time between your brand and target audience?" he asks.

Custom magazines are making substantial headway in a fiercely competitive marketing environment. And they are turning into a key part of the media mix for marketers. "In the digital age people still like to sit down with a cup of coffee and make time and space to read a well thought out magazine", says Gagné.

Custom titles are also proving effective at driving readers to the Web. Case in point is a magazine developed by Transcontinental's U.K. partner Seven Squared for asos.com, a pure-play online fashion store. The publication drives traffic to the website and is measured against hard ROI objectives. Since it launched, its circulation has ballooned from 100,000 to one million and its pagination has more than doubled.



Laurie Simmonds, President and CEO, Green Living Enterprises.

By working with us, companies get an instantly recognized stamp of environmental approval.

instance, would be followed by information on low-flow toilets and shower taps available in store. Green Living Enterprises also accredits the products, which builds trust in the eyes of a discerning public growing increasingly wary of “greenwashing.”

“Consumers are very well educated around environmental issues” says Simmonds. “They’ll quickly recognize if the information and products being presented to them aren’t truly green.”

Most businesses can tap into green communication, Simmonds emphasizes, as long as they can deliver at least one brand or service with a positive environmental impact. Laundry detergent, for instance, may not be the most environmentally friendly product. But an energy-saving cold-water option would certainly measure up, as would a concentrated version, which reduces packaging.

“We don’t punish people for what they’re not doing,” says Simmonds. “We reward them for what they are doing and encourage them to do more. At Green Living Enterprises, we’re all about helping companies to confidently bring their green messaging forward.”

The Custom Publishing Council (CPC) recognizes excellence in custom publishing at the annual Pearl Awards, and this year Canadian marketers fared well, taking eight of the top honours.

Spafax nabbed gold for best design overall in its circulation group (more than 250,000) for Pure Life for the Canadian Tourism Commission, and two bronzes for design and editorial on Air Canada’s enRoute in the less than 250,000 category. Redwood took silver in the over 250,000 group for most improved design on Sears’ New Outlook. Transcontinental and Societe des Alcools du Quebec (SAQ) took silver for best design in a new publication and tied for bronze for best editorial in a new publication for Cellier. Rogers Wireless and Rogers Publishing took a silver for strategy: best achievement of corporate objectives with URmagazine.

The editorial and design award categories focus on the best new, ongoing, and improved publications, while the strategy categories look at how well the publications complement the sponsoring organization’s integrated marketing campaigns, how well they achieve the organization’s goals, how well they prove a return on investment, and how innovative and effective a distribution strategy they employ. “We look forward to this program’s continued growth as the industry delivers more beautiful and compelling editorial products,” said Lori Rosen, executive director, CPC in a press release. “It’s an exciting time to be in custom publishing.”

CREDITS

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brands of the year

Dove



Scotiabank



Holt Renfrew



Lexus



L'Oréal



When *strategy* researches the Brands of the Year, we look for companies that have steadily and convincingly built a unique identity. They've used bold vision and clear business prowess to craft a brand with solid sales – and one you can't help but notice. Then we ask industry experts if our shortlist also caught their eye.

This year's list had several winners. Lexus, Holt Renfrew, Scotiabank and L'Oréal Canada have all hit the mark with their positioning and have successfully developed compelling and relevant connections with their customers – be it smart partnerships, refined loyalty programs or meaningful messages.

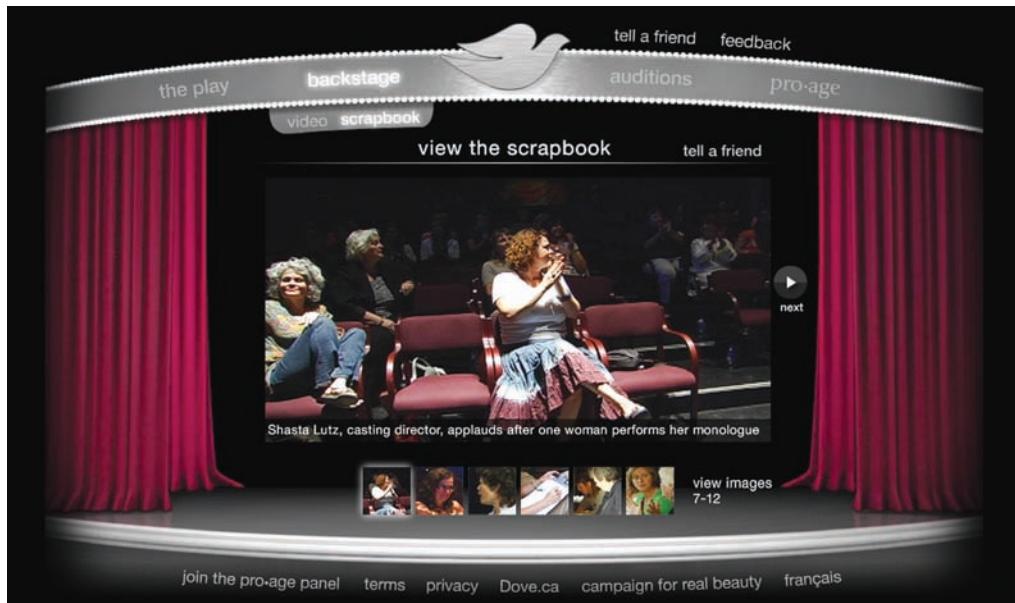
And as meaningful messages go, Dove, without question, has redefined what a brand can be – and mean – making it a shoo-in for overall Brand of the Year.

Here's what it took to top our coveted list and where these standout brands are headed.

Dove soars

The brand's first act made advertising history. Now Dove may make Canada a world leader

◀ By Carey Toane ▶



Above: Auditions for the Dove play on doveplay.ca
Below right: "Onslaught"
Opposite: Playwright Judith Thompson

Overall brand of the year

Did you hear? Unilever took home two Grand Prix from Cannes this past summer. But Dove is *strategy's* overall brand of the year not because of the awards it's won, but because of the effectiveness of the Campaign for Real Beauty – in both brand-building and elevating Canada's role in global marketing campaigns. What started as an experiment has become a solid commitment to a new world order in consumer goods marketing, in which big brands take big risks and reap big rewards. What the Cannes Lions did was endorse the effort, and encourage more of it.

Cannes film jury president Bob Scarpelli, chair/CCO, DDB Worldwide, applauded Unilever for taking the lead among CPG companies. "We're seeing an evolution here," he said. "The bigger companies are realizing you have to engage people, and the way you need to reach the consumer has changed."

Geoff Craig, VP and general manager, brand-building at Toronto-based Unilever Canada, sees that as an opportunity for both Unilever Canada and Canadian

CPG marketers in general. "I would like to see us on the radar more than we are, because of successes. I think Canada has a unique ability, as the world of marketing is changing, to be nimble, faster, quicker."

"Evolution's" success has solidified Unilever Canada's role as a leading voice on the direction of the global brand. "I think there is an expectation



that the work coming out of Canada will be very creative, it'll be excellent and it'll push some boundaries," says Craig. "Ultimately it has to translate into business results, and the business results we have in this country are pretty much superior, in terms of share, to any other country in the world."

ROI talks. And other parts of the company, such as Unilever U.S., are now listening to Canada's winning marketing formula of one-half social action and one-half social media. Added together, they equal one big bang for the brand.

"Evolution" alone has brought in an estimated \$190 million in PR to date, while market share grew 10% in 2006 (Unilever declined to give numbers for 2007, saying only that the current share has grown vs. last year, and continues to outpace market growth).

Dove is also no longer just a "beauty bar" – this year's CreamOil and Pro-Age lines, Energy Glow face moisturizer and various hair care line extensions are the latest additions to a product portfolio that has expanded exponentially under the Real Beauty banner since 2003.

The success of "Evolution" – which cost \$135,000 to make and next to nothing to distribute – has cast a halo over two new films also created by Toronto's Ogilvy & Mather. While "Evolution" started from Canada and worked its way around the world, "Onslaught" and "Amy" launched globally on Oct. 11, a year later.

Craig says even that was risky. "On 'Evolution,' the local PR fed on itself as it

went from country to country in a short time. This time around, [we did] it as one bang. Which way will be more effective? That will be answered one day." With around 700,000 views on YouTube in the first two weeks, "Onslaught" fell short of the two million Ogilvy says "Evolution" received in that time.



The films aim to raise awareness of the Dove Self-Esteem Fund and the relaunched website campaignforrealbeauty.ca (.com

I think there is an expectation that the work coming out of Canada will be very creative, it'll be excellent and it'll push some boundaries

in the rest of the world). Developed by Toronto web firm 58Ninety and supported by viral outreach and online executions by Capital C, also of Toronto, the site offers a virtual toolkit for girls aged 11 to 16, as well as their mothers, mentors and teachers.

It's designed to facilitate discussion about self-esteem issues, and picks up where the Canada-wide workshops, engineered by Toronto-based PR firm Harbinger Communications, left off last fall, after reaching 2,600 participants in 13 cities. Toronto-based PHD is Dove's media AOR.

"We didn't set out to do what we accomplished with ['Evolution'],'" admits Sharon Macleod, who was on the campaign at launch and recently stepped in as brand-building director, skin care and deodorants, replacing Mark Wakefield (who ran the brand from April 2004 to August of this year before moving to Ferrero Rocher). "We were doing it to put people in workshops."

What started as a grassroots effort became a global phenomenon in which cause equity and social networks are key to consumer engagement. Then-VP global media for U.K.-based Unilever Plc Alan Rutherford encouraged the method in

we see," says Macleod. "More and more, though, things are happening at the same time, frankly because a lot of the work we're doing has been very successful."

But with success comes responsibility. "Onslaught" launched to a dose of skepticism as well as acclaim. The Unilever brands Axe, known for its allusions to "sexploitation" films in its male-oriented advertising, and Slim Fast, a diet aid, seem to promote the very images Dove is battling. But while some push for consistency, the broader public has embraced Dove's stand.

"Consumers realize there is a dialogue with marketing," says Philippe Garneau, founder and ECD, GWP Brand Engineering. "They're aware that the ultimate goal is to make shareholder value go up."

None of this has deterred Dove as it dives further into culture and away from advertising to deliver its message. To support Pro-Age, launched in February and designed for women 50-plus, Dove is producing a play called *Body and Soul*, starring 12 "real" women who auditioned via the website doveplay.ca. The play, which will debut at the Young Centre for the Performing Arts in Toronto next April, is perhaps Dove's most experimental use of media to date – and Macleod says it illustrates the new, fearless Unilever.

"There was a time when a play seemed crazy, and now it's happening," she says. "That's what's so exciting about being a marketer in Canada. As companies become more global, the value and the exciting marketing are happening here."

2006, and Dove was one of the first to take advantage with "Evolution." Six months after it launched in Canada, the spot was picked up by Unilever U.S. "A lot of things have happened here and rolled out in the U.S., which is often the opposite of what

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Banking on the richer life

Scotiabank scores a hat-trick with engagement marketing

◀ By Carey Toane ▶



"Scotiabank" replaced "Bay Street" in the Rat Race name when it became title sponsor of the long-standing Toronto charity event

The last Saturday in September, *Globe and Mail* readers came across a full-page colour ad which declared: "This weekend, life's richer." The ad listed a hat-trick of events happening that weekend in Toronto with two things in common: they featured Scotiabank as title sponsor, and they were all unprecedented successes.

Scotiabank Nuit Blanche, that "all-night contemporary art thing," saw attendance numbers double over the year before. The winner of the Scotiabank Toronto Waterfront Marathon, Kenyan John Kelai, broke the Canadian record. And standing-room-only crowds gathered to hear 2006 Scotiabank Giller Prize winner

Vincent Lam and eco-guru David Suzuki speak on the Scotiabank Bestsellers Stage at the Word on the Street festival. All three were covered heavily by local and international media, and you would have been hard pressed to find a Torontonian who didn't attend at least one. Welcome to the Scotiabank clean sweep.

Rather than take full credit, however, Scotiabank VP domestic marketing Rick White is modest. "If I said it was all well thought-out in advance, I'd be lying," he laughs. "There's a lot of good luck here."

While the weekend was exhausting for organizers and volunteers alike (not to mention for those of us who were up for 48 hours), it also marked a pinnacle in the engagement marketing efforts of Canada's third-largest bank (in terms of assets). For the first time, Canadian bank marketing was fun.

"Increasingly, you find big brands which are thought of as being somewhat vanilla and static – not things that people have a passionate relationship with – trying to find appropriate properties that allow them to engage potential customers in an environment that's all about passion," says admirer Andy MacCaulay, president of Toronto-based agency Zig.

Amid intense Big Five competition, Scotiabank's original goal was to differentiate the brand and get it out there to as many Canadians as possible – all on a budget about one-half to one-third the size of that of Royal Bank or TD Canada Trust. "It's a category that hasn't got a lot of engagement, so it makes it hard to break through in the marketplace. It's hard to build a strong brand, certainly," says White, who has been with Scotiabank for 13 years. "Among the things we have learned over the last little while is because of the nature of this non-engagement, we need to find ways to drive engagement in

non-traditional ways."

Entertainment, then, is a perfect fit with the bank's optimistic brand positioning under the tagline: "You're richer than you think." Scotiabank has worked to position itself as "un-banklike" in everything from its self-deprecating humour to the more informal art direction on the Cassie award-winning integrated campaign by Toronto agency Bensimon Byrne, which wrapped in March of last year.

"The initial launch [three years ago] was based on the functional attributes of 'You're richer than you think,' how a few small moves in the way you do your finances can save you 53 bucks a month," says Bensimon Byrne CD David Rosenberg, who was on the team that won the Scotiabank account in 2000. "Whereas with the experiential strategies and sponsorships, we're leveraging the emotional side, life's experiences, and how a bank can play a role in that."

It is this emotional aspect that the brand has been mining over the past year. The "richer life" for Scotiabank means movies, books, causes and, of course, hockey. "You don't have to have a lot of money to enjoy these sports, arts and cultural things," says White. "We're looking for sponsorship opportunities that are accessible to everybody."

And they've found them. Over the past two to three years, Scotiabank has been affixing its name to sporting and arts venues (Scotiabank Place in Ottawa, Scotiabank Theatres in Toronto, Montreal, Calgary, Edmonton and Vancouver), entertainment and sports events (NHL and *Hockey Night in Canada*, CFL and the Grey Cup, Nuit Blanche), charity events (the Waterfront Marathons in Toronto and Vancouver, Rick Hansen's Wheels In Motion program and the AIDS Walk for Life across the country, Toronto's

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brands of the year

This weekend,
life's richer.



The *Globe and Mail* ad made a happy accident look like an intentional "clean sweep" of a weekend in Toronto

some of the many strands of this broad program were tied together into a pretty impressive bow on a gift from Scotiabank to Toronto. Scotiabank aims for a similar impact in all major Canadian cities, and as impressive ROI has earned White and his team the support of CEO Rick Waugh, it seems Canadians appreciate a little entertainment with their banking.

"The key thing is the top-of-mind awareness Canadians have about

Rat Race, Buskerfest) and awards (the Giller Prize), as well as the category's first entertainment loyalty program, Scene, in partnership with Cineplex.

"The programs have enough breadth that we are appealing to hopefully everybody in some way," says White. "Whether it's the Giller or whether you're a marathoner or a hockey enthusiast, there's going to be somewhere we're going to touch you. It will take time to really bring to the forefront how we're going to drive these things, but we're starting to see some good synergies."

In the *Globe* ad,

Scotiabank," he says. "Where are we on their list if they're going to be switching financial institutions? Will they think of us or not? Are we first on their list or not?"

The secondary gauge is market growth. White won't disclose actual numbers, but he says that in the Ottawa region, for example, where Scotiabank sponsors the Ottawa Senators and has naming rights on their arena, Scotiabank Place, market share has increased by double digits to make it the bank's strongest market outside Atlantic Canada. Similarly, the Scene program has brought a younger demographic to the bank in larger numbers. Overall the bank's market share is around 12% nationally, with household penetration of approximately 20%.

"It's tough to drive growth in Canada – our market share moves glacially," says White. "But we're looking for some steady gains, which we have seen over the last four or five years. It's not incredible, but it's steady; we're getting better retention of our current customers and a bit better overall."

White has been getting plenty of sponsorship proposals, but he is looking to develop those already on the roster to spur growth. Scene, for instance, which piloted in Toronto in January and rolled out across the country in May, has 450,000 members, one-third of

whom are Scotiabank customers. The points-for-movies program, targeted at 18- to 34-year-olds, offers a membership card to everyone, and debit and VISA cards that earn points faster. According to White, the only loyalty programs in Canada more popular in terms of online hits are Air Miles and Aeroplan. But that's just the beginning.

"We have to look at those [core properties] with a lot of discipline and truly leverage them," says White, adding that the program will expand next year to include restaurants, telcos, technology and music download partners. The partnership with Cineplex will be integrated with the NHL partnership, as league games are played on Scotiabank's silver screens. This fall's season of performances from the Metropolitan Opera in New York will also be framed by the branded media environment inside the Scotiabank theatres.

All of this external goodwill has internal benefits as well. White credits Scotiabank's 21,400 employees in 970 branches across Canada with identifying the properties worth investing in.

"Our strategy has been built up from the grassroots," he says. (Scotiabank has also won awards for its Applause employee recognition program.) "We've taken on things that have the most resonance and relevance to our people."

MASS REACH

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Haute Holts

The retailer's holiday window display is now a vital consumer touchpoint

Don't let its good looks fool you.

Behind its fashionable exterior, luxury retailer Holt Renfrew's recent clever marketing and business strategies have reinvigorated a brand that, truth be told, wasn't in need of rebranding, affected by sagging sales or suffering an identity crisis.

In fact, the Holts brand remains in a league of its own: the lone retailer catering to the well-travelled, informed, ageless, fashion-savvy Canadian consumer in need of all things luxury, available in a convenient department store setting.

The chain, which has nine locations across the country, has few direct local competitors in the booming luxury

industry. Instead, its main rivals are global: other luxury retailers in London and New York like Neiman Marcus and Harrods, where its customer occasionally jet-sets, as well as the free-standing stores of the luxe brands it carries.

Holts excelled under the stewardship of Andrew Jennings, who was president from 1999 to 2004. But under president Caryn Lerner, who joined in the fall of that year following a stint as president and CMO of luxury brand Escada in the U.S., the brand has taken on new lustre.

"It is alone in that end of the market," says Wendy Evans, a retail analyst at Toronto-based Evans and Associates.

retail brand
of the year

An integrated strategy helps the retailer shine

◀ By Natalia Williams ▶

"But Holts has taken advantage of the position and run with it."

"I inherited a solid business that was fiscally sound," admits Lerner, adding that it was neither broken nor in a turn-around situation when she joined. Essentially tasked with making a good thing better, she's doing it. Sales rose from about \$400 million in 2004 to roughly \$500 million in 2006, according to *Canadian Business*. As Holts is a private company, owned by businessman Galen Weston since 1986, Lerner will only confirm that 2006 was "a record year of growth" for the retailer.

Under her tenure, a children's line was launched in February '06. She was also behind the brand regaining control of its shoe business earlier this year from Browns, which had leased sections of Holts stores for 17 years. The company had been "blind to the [shoe] business," she says, with little knowledge of its operations. Re-owning it would mean the company could better control its

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Right: Lerner (right) with actor Sienna Miller (centre) and sister at the Toronto launch of their line

merchandise, image and messaging. The changeover, which occurred in January, has already paid off. In six months, sales were up 50% compared to last year, she says.

Another recent coup was wooing Tracy Fellows – the consumer advertising and marketing VP behind Canadian Tire's lauded advertising campaign and repositioning – to the

says Lerner. Taxi's first campaign is scheduled for spring '08.

Fellows has also added another plank to the company's marketing plan. The strategy, integration and advertising team will ensure that all elements of marketing (CRM, visual, events and PR) come together to create cohesive communications that effectively reach all consumer touchpoints.

One example, says Fellows, is the retailer's Christmas campaign, Holts for the Holidays, which launched Nov. 5. Over seven weeks, a Must Have list of five products will be featured and flow through the consumer touchpoints. From window displays to online to in-store merchandise, the campaign will be both cohesive and integrated – something that was missing from the retailer's previous campaigns over the years, she says.

Another focus, Fellows says, will be Holt Renfrew's consumer database. Its current CRM program has been built using POS tracking and one-on-one meetings with customers. While tightlipped about the details, Fellows will say that it's set to be enhanced.

"Around the same time that our spring campaign launches, we'll have a program in place that will help us with the analytics of customers' data to better target them and provide them with different types of programs

to drive them back into the store," she says.

Creating an in-store experience has been and will continue to be a key strategy, says Lerner. Each year, Holts stores across the country hold more than 300 events in an attempt to make the store not just a place to shop, but a destination. For example, the debut of fashion lines by buzz-worthy designers are leveraged into full-fledged events – like the launch of the Twenty8Twelve line, designed by actress Sienna Miller and her sister, which tied into the Toronto International Film Festival. Aside from the impressive PR value, the result was about \$30,000 in upfront sales, says Lerner.

The bricks and mortar of the stores themselves are also being enhanced. In May, Holt Renfrew's new Vancouver location opened to much media coverage. In September, Holts announced that its Calgary store will relocate to the city's Eaton Centre. The space is 140,000 sq. ft. – about 60,000 sq. ft. bigger than the previous location.

In addition to enhancing the store environments inside and out, Lerner's also determined to build on its customer service and improve its merchandise offering. "We've got it before they think of it," she says, of the approach to introducing new product.

Good-looking and smart, too.



VP marketing position roughly six months ago.

"We went after her," Lerner says, adding that Fellows has already made "significant contributions" to the brand.

For one thing, Fellows has brought in a new agency. On Oct. 1, Taxi, with which she worked at Canadian Tire, became Holt Renfrew's AOR, replacing Zig, which had been with the brand about three years, six strategically. "Everything's on the table for re-examination,"

Moments of perfection

Lexus seduces consumers with a new definition of luxury

◀ By Mary Dickie ▶



Above and right:
Lexus hybrid print ads
incorporate environmental
friendliness into the
“Moments” theme

Selling luxury cars is a delicate business in a climate of environmental consciousness. High-end customers want more powerful, comfortable and reliable vehicles with all the latest bells and whistles, and they don't want to feel guilty about it. But what if you could give them all of that and make them feel warm and fuzzy to boot?

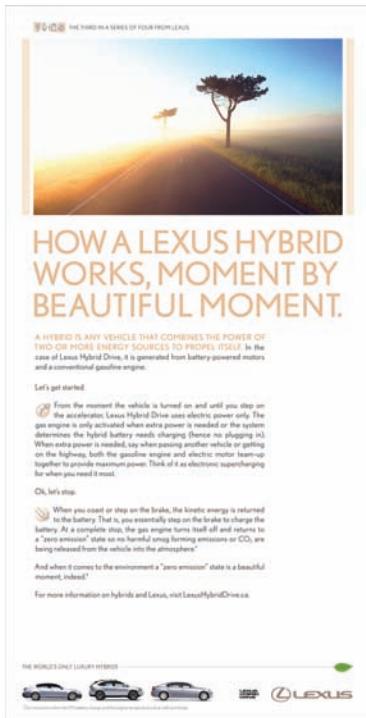
That is the genius of the marketing behind Lexus, which has captured the heart of the luxury auto market by appealing to consumers' desire for speed, comfort, good looks and safety – and, with its hybrid line, cleaner, greener living as well – in a campaign that stresses living life to the fullest.

"Consumers were telling us that the new luxury was time," explains Warren Orton, marketing director for Toyota Canada, Lexus' parent company. "They didn't have enough time, and it became the highest priority in terms of luxury. So we developed a campaign about all these little perfect moments in people's lives that they felt were luxurious. And we then portrayed Lexus as being able to deliver those moments consistently, whenever they drove the car."

While the "Moments" campaign, created by Toronto-based Dentsu Canada in 2005 and still going strong, fits with the brand's worldwide "pursuit of perfection" theme, it also marks a significant new direction for Lexus.

Canada in appealing to less tangible desires than aerodynamics and engine power and torque.

"Consumers were looking for a new definition of luxury," says Glen Hunt, creative catalyst at Dentsu Canada. "It used to be about conspicuous consumption, being master of the universe. But the new luxury is all about experiences, so the idea of these



moments, these little pearls of time, was perfectly timed."

The theme was illustrated by a series of print ads tailored for specific publications – or even individual readers. Subscribers to *Maclean's*, *Canadian Business* and *Toronto Life* saw their names incorporated into the ad copy to demonstrate Lexus' personal touch, while an ad in *Investor's Digest* included a wetnap for removing ink stains to remind readers that Lexus can anticipate all their needs.

“Moments” has been a huge success, winning awards (most recently from the Cassies) and helping Lexus increase its share of the Canadian luxury auto market – from 10.6% in 2006 to 11.4% as of September 2007 – and establish its own distinct personality.

"When you're talking about a car as expensive as a Lexus, all the competing cars are good, so there has to be something that distinguishes them," explains Ken Wong, associate professor at Queen's School of Business. "And that's where the brilliance of making a memory, a 'moment,' comes in."

Toyota introduced Lexus to the Canadian market in 1990. In 2005, the brand established separate design, engineering and training divisions, although there is a marketing overlap, with Orton leading a team of six, three dedicated to Lexus alone. The idea of distinct brand identities extends to the different models in the Lexus line, which includes the IS, ES, GS and LS series of sedans, the SC convertible coupe and the RX, GX and LX SUV series.

"One thing Lexus has done that others haven't is recognize that different kinds of drivers want a different kind of driving memory," says Wong. "So the 250 is sporty, designed for someone in their 30s, and when you step up to the 450, you're talking about someone in their 50s or 60s. And the advertising, the styling and so on are all consistent with the market they're looking at. So Lexus is practising a subtle segmentation within the brand, and to me that's the real magic."

announcements

announcing

Annie Gaudreault

ACCOUNT DIRECTOR



John Nishida, General Manager of Pigeon* branding + design, is pleased to announce the appointment of Annie Gaudreault to the position of Account Director. Annie brings to Pigeon* 16 years of experience working with tier one branding and design agencies in both Montreal and Toronto. Most recently, she co-founded Russell Branding, a successful Toronto design firm. With a proven track record for helping clients build winning brands, Annie is excited about returning to Pigeon*, the place where she began her career in 1990.

A proven leader with exceptional strategic ability, Annie will work as a senior member of the client services team to uphold Pigeon's established reputation in the industry for excellence. Annie's passion for her work is only exceeded by her dedication to building strong relationships with her clients, which include notable marketing organizations such as Corby Distilleries, Harvey's, Natrel, Nestlé, Swiss Chalet, Timothy's World Coffee, and Unilever.

announcing

Marty Rudman

SENIOR DESIGNER



John Nishida, General Manager of Pigeon* branding + design, is pleased to announce that Marty Rudman has joined the Pigeon* creative team. Highly regarded in the branding and design industry for almost 30 years, Marty brings valuable experience as co-founder and creative director of Dollery Rudman Friebauer and FutureBrand. Marty is an award-winning designer and his designs have been featured in many prestigious design publications.

As a member of the Pigeon* creative team, Marty will continue to create strategic design that expands the relevance of the brand, and builds a meaningful connection between the brand and the consumer. Marty has a proven track record for creating innovative and successful brand building solutions for many of North America's largest consumer goods companies, including Cadbury Chocolate Canada, Dare Foods, Effem Inc., Fairmont Hotels, Hudson Bay Company, Kellogg's, Molson Breweries, Rogers, Royal Bank of Canada, and the Toronto Stock Exchange.



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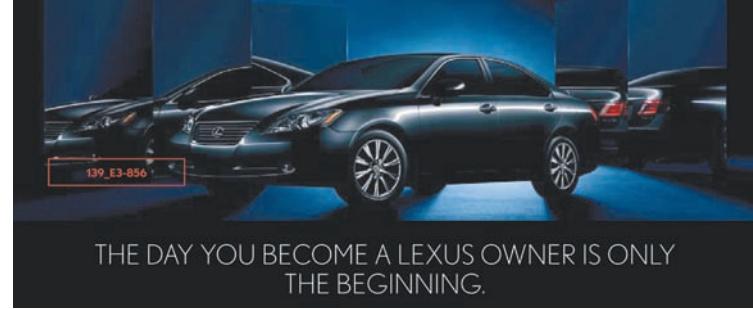
Above: Lexus combines power with virtuousness

Below: The Club Lexus brochure invites "guests" to enjoy their privileges

Earlier this year Lexus launched the world's first V8-powered full hybrid, the LS 600h L, and Dentsu's campaign for the ultra-luxury vehicle seamlessly integrates environmental friendliness into the "Moments" theme. It includes sober, if luscious, print ads touting the car's high

Wheels, Car and Driver and others, and the LS model has stayed at the top of J.D. Power's Vehicle Dependability Study for 13 years.

The brand also has a rock-solid reputation for customer care. Through the Club Lexus program, owners (or "guests") can schedule



THE DAY YOU BECOME A LEXUS OWNER IS ONLY THE BEGINNING.

performance and low emissions, and a TV spot that goes after the heart with its "H is for home, harmony, hope...hybrid" voiceover and images of trees, windmills and smiling babies.

But it wasn't just campaigns that helped Lexus Canada set its 27th consecutive monthly sales record in October, or see its year-to-date Canadian sales rise 14% compared to the same period last year. Since its Canadian launch in 1990, Lexus has earned accolades for customer satisfaction, performance and reliability from Consumer Reports,

service appointments online and see their service history as well as participate in forums, get tickets for film and music events and take a VIP tour of the Cambridge plant. Meanwhile, the brand's CSR involvements include the Children's Wish Foundation and the Canadian Junior Golf Association.

"It's a very good brand, and not just because of what they've done marketing-wise," says Wong. "They're clearly backing up the promises the marketing makes with a solid product and service."

beauty brand of the year

When L'Oréal met Luminato

And other tales of the beauty brand's risky and rewarding hook-up strategy ◀ By Natalia Williams ▶



Above: Sponsoring Fashion Week is a key strategy for the brand Left: L'Oréal got partner billing with Luminato

In January, newly promoted L'Oréal Canada VP/CMO Dominique De Celles received a call from Sunni Boot, president and CEO of ZenithOptimedia, the beauty brand's longtime media agency. Boot all but insisted that De Celles meet with Tony Gagliano, executive chairman and CEO of St. Joseph Communications. "That's something she would normally never do," says De Celles. Gagliano was on the hunt for sponsors for an arts and culture festival he was working to bring to life called Luminato.

Turns out Boot's hunch was right. "It was something magical," De Celles recalls of the meeting. Briefed on the idea for the 10-day festival, she says she knew right away that its values, vision and cultural diversity could provide a seamless fit for L'Oréal's range of brands and an ideal environment to profile the French company while building brand equity outside French Canada.

In four months – an "insanely short amount of time" – L'Oréal's team of roughly 80 marketers met every two weeks to design tailored executions for the event. And in the end, the pairing of the Montreal-based division of the global beauty brand with the upstart Toronto-based cultural festival, which had its first run in June, was an unquestioned success.

They'd hoped for 500,000, but L'Oréal's numbers suggest that Luminato was visited by about a million people. Eleven of the company's brands, including L'Oréal Paris, Vichy, Biotherm and Garnier (there are 19 in total), were featured, and integrated into the festival's activities.

For its Armani brand, for example, there was a swish VIP opening night gala at the BCE Place. For Redken and Maybelline New York, a New York-style loft in the Distillery District, with onsite makeup and hair consultations, was developed to reflect the brands' Manhattan origins. And at Harbourfront, there was an interactive event for its Vichy line of sunscreens called Vichy Skin Mosaic, which included education about sun protection as well as onsite skin diagnosis.

While Luminato was an untested property, De Celles, who had overseen marketing for the company's marquee brand, L'Oréal Paris, since 1999, has become known for self-assuredness when partnering with assets that make sense to L'Oréal's identity. "We like to be the first," she says of her approach to fulfilling the global directive to craft local identities. Partnering with events, festivals and TV shows is a strategy that has worked, she says, as it's an effective way to reach brands' target consumers.

For example, while heading L'Oréal Paris, De Celles linked up with *Canadian Idol* – a partnership that lasted three years – and its Quebec counterpart, *Star Académie*, in their first seasons to attract younger consumers. They were, and continue to be, top-rated programs. Most recently, the brand has shown up as a top sponsor with Slice's *Project Runway Canada* series, hosted by supermodel

brands of the year



Iman (centre), host of *Project Runway Canada*, with L'Oréal's De Celles in red and Zenith's Boot to her left

Iman. And Toronto's Fashion Week, of which it's been the title sponsor since 2002, is an "important component of L'Oréal's DNA." The fit of beauty and fashion has made waves in the company globally. "It's now a worldwide strategy for global brands," she says, and New

Zealand and Australia have since mirrored the tactic.

Sales suggest the strategy is working: in 2006, they were \$760 million, up from about \$400 million in 1999. And while there is some risk, she admits, the payoff is more flexibility and fewer

sponsors – which means a brighter spotlight for L'Oréal.

Much like Luminato. Essential to the decision to sign on was the tagline "Partners in Creativity" on all festival communications. "We didn't just want a logo on the property," she says. "We wanted to be fused with the property."

And the post-event numbers have made them very happy. Awareness of L'Oréal after the festival was 43%, according to the company's research. Comparably, it was 35% after sponsoring *Canadian Idol* for one year. About 90% surveyed said the association between the festival and the brand was a good one. And another 33% who attended saw at least one of its beauty brands. De Celles says based on this inaugural success, they've re-signed for three years and plan to get more brands involved next year.

Also in the planning stages: L'Oréal Canada's 50th anniversary in 2008, and L'Oréal Group's 100th anniversary in 2009. Prepare for something local, strategic – and risky. ■



The Association of Canadian Advertisers is pleased to announce our new Board of Directors, and the appointment of **Dominique De Celles** as Chair.



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They are tech savvy multi-taskers, demanding consumers, and one of the most important demos for marketers. But young people today are rapidly moving targets. They dart from place to place and medium to medium, from traditional to an ever-expanding menu of digital media. The one constant is that they are always connected. Friends and peers are major influences in their lives and this connectivity allows them to keep in touch, express themselves and stay entertained when they can't be face to face.



MARKETING TO YOUTH

>>>KEEPING CONNECTED

All of this certainly doesn't make it any easier for marketers. It's not just that they need to speak to young consumers in their venues and through multi-platform messaging, they have to keep apace with changing trends and attitudes. Something that's cool one day isn't the next, says Parry Rosenberg, master strategist at Compound Corporation.

"I think it's partly a bit of everything, from Facebook to all of the other technologies and new forms of communications. If something becomes hot in B.C., every student in the country knows about it immediately. So where you used to get trends that started on one side of the country, or in one place and they would take a long time to evolve across the country, it's almost instantaneous now."

Giving young people the chance to interact and engage with brands and media is a key tactic for connecting with kids, tweens and teens alike. An

interactive website is the price of admission to the youth market today but face-to-face is also important. That's why brands are having so much success with events – whether in schools, on campuses or in their communities.

Natalie Cunningham, brand manager for Teletoon Canada, says research and focus group work has shown the network that while its advertising, promotions and website are successful with the target audience, its annual cross-country summer tour provides an important opportunity for face-to-face contact with TELETOON fans.

"From the research we've done and our connection with them, we've identified our Teletoon Tour live event as being the best way to interact with them, to have their voices heard, to interact with the cartoons they love and to give them that live experience."

TELETOON®

ANIMATE YOUR BRAND WITH US!



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The TELETOON Tour is your opportunity to reach families all across Canada. This ultimate cartoon-crammed event features:
TELETOON ANIMATED STAGE - TELETOON PHOTO BOOTH - TELETOON.COM PLAY TENT
GO TO: teletoon.com/tour

TO FIND OUT MORE ABOUT THE TOUR AND
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SALES PROMOTION ACCOUNT EXECUTIVE
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Cross-platform connections that click with kids

Not just any brand can get as close to kids as Teletoon does. It has to be one that kids know and love, and when it comes to the core six-to-13-year-old demo, it has to be a brand that parents trust. This makes the network, its various communications platforms, and events such as its annual Teletoon Tour extremely attractive properties for brand partnerships, providing an affordable way to enjoy the mass appeal of the TELETOON brand with customized activities.

Emma Fachini, director of sales promotion, says the network is very selective about the brands it partners with for the tour. "This isn't something we would just offer up to anybody. Wonder+ this past year was a perfect partner for the network. We really liked the fact that they wanted to focus on activity and we were able to put together three very specific events that met the client's objectives.

"We don't have things set in stone. We really work with our partners to meet their objectives. That's when you see success,

Compound Corporation

– Integrating into campus life

Compound Corporation has distributed 450,000 Campus Kits across 165 campuses this year. The success of this venture for marketers is that these kits are officially sanctioned by the colleges, universities and their students.

Parry Rosenberg, master strategist at Compound Corporation says, "We work in partnership with student unions. They help us distribute them on campus and that gives sort of an official stamp of approval to the kit as a whole."

The kits range from Orientation Kits to Campus Kits, from Home for the Holidays Kits to Graduation Kits, allowing marketers to reach this important market at progressive life stages.

Compound's on-campus acceptance has led to growth in demand for on-campus events as for its on-campus PR and media services.

A recent PR campaign staged by Compound for the Society of Obstetricians and Gynecologists and HPV Awareness resulted in 22 campus newspapers running stories and 19 of the country's 40 campus radio stations running the PSAs created for the campaign.

"They usually like to run student-written stuff on the radio stations so that was a real coup," says Rosenberg. "But I think it has to do with building relationships. We spend a lot of time and energy working on relationships with the campus media outlets and student unions and residences – to ensure that anything we do with them has true value, either real value in their eyes or perceived value."



Left: Event Producer, Jeff Gloven, entertains cartoon fans on the TELETOON Animated Stage at the annual La Fête des Enfants.

UTours

- The ticket to high school and university students

UTours was founded in 2006 with a mandate to make the process of university selection easier. After spending over a year poring through more than 6,000 surveys with university students across Canada, conducting over 200 one-on-one interviews, personally visiting over 20 university campuses and developing a network of student motivators and advisors, the UTours team have become experts in the high school and university space.

In-depth understanding of university students resulted in the UTours 2 Disc set. Over 5½ hours of video content divided into 15 minute tours of 20 of Canada's most popular universities, demonstrates what each campus has to offer from the perspective of current university students. Students buy this university selection aid online, at experiential events and soon, through UTours potential retail partners. This year, UTours has also distributed 200,000 *What You Need To Know Before You Go* DVDs placed directly into students hands through guidance counselors and a media partnership with the Globe and Mail. An all new *What You Need To Know Before You Go* with expanded sponsorship opportunities will be distributed next year featuring university students from all over the country talking about what they would do differently in selecting a university and giving some helpful advice to future students. Within this DVD UTours corporate partners build relationships with students on multiple levels: through branding on the DVD cover, buckslip inserts inside the DVD and direct integration into the content itself. For example, in this year's DVD there are sponsored sections with TD Canada Trust presenting the section on finance and Dell, Microsoft and Intel headlining the section on technology.

UTours sponsoring partners to date include TD Canada Trust, Dell Canada, Microsoft, Intel, VIA Rail and American Eagle. It also has media partnerships with the Globe & Mail and Pizza Pizza Television.



Above: Part of the 2007 TELETOON Tour, the Wonder + Challenge proved to be a popular customized activity for families attending the event.

"We attracted full families and kids anywhere from two to 13. We do have that foundation of really attracting all the big cartoon fans. They come out and let us know all that they love about the network. It's for ultimate animation fans of all ages."

The Teletoon Tour doesn't just make a big splash in the 10 communities where the event is staged; part of its grassroots appeal, it also attracts a lot of notice as it makes its way across the country.

Jeff Gloven, event producer of the Teletoon Tour, says, "We could have easily flown the equipment and ourselves into communities, but even the cities we weren't stopping in, you still stop for gas and to eat so even cities we weren't doing events in we were still able to interact with the kids. As soon as they see our Teletoon Hummer, they'd flock towards us. We don't mind the attention."

"We had a family from Cape Breton this summer that planned their family vacation around us being in Moncton on August 10. That's a huge tribute to us. We're obviously doing something right."

Loyalty coalition connects with savvy young shoppers

Unlike adults whose loyalty is often achieved through programs offering point collection and redemption rewards, youth shoppers tend to under-index in their participation in points-based programs because they don't shop often enough in high-frequency categories such as gas and grocery to make point collection attractive.

Nicholas Bianchi, director of sales and marketing for the SPC Card, says that to achieve loyalty from young shoppers, marketers need to provide them with a reward structure that is significant, immediate and relevant.

"Youth are very savvy shoppers. They know what's out there. What we've found in our 14 years in the loyalty business is that students really want instant gratification, a reward that's immediate. They want something that's significant as well. They also want choice, that's why they find the greatest value in a coalition loyalty program. They want their percentage off or preferred pricing based on

SPC Card - Rewarding loyalty with more stuff, less rules

The SPC Card is built on the understanding that youth shoppers are different from adult shoppers, therefore a youth-targeted approach to loyalty and customer relationship marketing needs to be tailored to the needs of the younger shopper. It is a national coalition loyalty program that targets a core demographic of 14 to 24-year-olds with immediate rewards and repeat discounts. It is a national coalition loyalty program of 110 national and regional retail chains that include Aldo, Burger King, Bluenotes, The Bay, Zellers, Foot Locker, Guess, Roots, Sirens, Urban Behavior, Second Cup, Sport Chek, and Swiss Chalet. The SPC Card was founded in 1992 and today boasts an average annual membership of 525,000 and 10,000 points of use. It costs just \$8.50 a year and can be purchased through high schools, campus bookstores, select retailers and online at www.spccard.ca. Additional over-and-above offers called perks are emailed to a database of 285,000 of opt-in members every week.

In August of this year, the SPC Card branched out in partnership with BMO Bank of Montreal to launch the BMO SPC Mosaic MasterCard. The credit card provides students the opportunity to receive – at no additional fee – SPC Card discounts while collecting Air Miles or Cash Back.

We were supposed to write a catchy slogan here but we got caught up with our 1,500,000 students*

*By the way that's 1,500,000 unique students we reach with every national campaign.





retail chains, with an average annual membership of 525,000 youth shoppers ranging in age from 14 to 24 – 60% of them in the 18-to-24 group. Although it has used some traditional channels to market the card, such as a TV commercial to launch the BMO SPC Mosaik MasterCard in August, most of the SPC Card's efforts are grassroots. It does a lot of email marketing to an opt-in base of 285,000 and it markets the card where it is sold – high schools, campus bookstores, select retailers, and online at spccard.ca.

the fact that they're students and they have limited budgets.

"They don't want points on products they're never going to use, that they really have no use for. They want it on fashion, on music, on dining. These are the categories that really drive youth culture and those are what we provide offers on and rewards on."

The SPC Card is a national coalition loyalty program of about 110 national and regional



Canadian Girl - Reaching teen girls with school-sanctioned distribution

Canadian Girl launches in March 2008 with a circulation of 200,000 copies and distribution through 500 subscribing highschools across the country. It will be published four times each year with an editorial package that is "whole girl" focused. Its departments, columns and feature stories will advise and inform readers about issues and interests that contribute to their future successes. The cover photos will be of real Canadian girls, not celebrities – as will all the stories, features and photos throughout. The supporting website, cdngirl.com, will feature contests, games, forums and further opportunities for advertisers to connect with the teen girl audience.

Michael Sheasgreen, president of MIR Communications and publisher of Canadian Girl, says, "The position of Canadian Girl is the recognition that girls are achievers. When you look at the fact there are more girls going to university in Canada than boys, that they consistently do better in every subject in school, it is ridiculous to think the only way to reach them is to talk about Leonardo DiCaprio or Ashley Simpson."

As a leading school marketing and magazine publishing company, MIR has a direct relationship with thousands of schools across the country. The company also publishes three magazines that are distributed through Canadian elementary schools – Together, kidsworld, and Le Magazine Planete 912 – and runs the Student of the Year program, a national program supported by kidsworld

UTours THE NEW YOUTH AUTHORITY

the creative difference based on research and knowledge.



We know youth like the back of our hand.



Above: 450,000 COMPOUND kits distributed to students across Canada each year

Bridging the gap between marketers and post-secondary students

With their finger on the pulse of today's youth market, Compound Corporation has become one of Canada's foremost marketing firms specializing in college and university students. The reason for this, according to master strategist Parry Rosenberg, is that Compound understands who its target market is, what makes them tick and where they spend their time.

Rosenberg knows his target so well that his company and products are now part of campus life at colleges and universities across the country. Prior to starting the company two years ago, he met with student unions across the country to discuss how they see marketing, how they react to it and more importantly, what will trigger favourable responses.

Out of those discussions came products that students actually want: campus kits – cloth drawstring knapsacks full of high-value products, gift cards and coupons – are distributed free through student unions, which also use them to distribute their annual student agendas. This year, 450,000 kits were distributed across 165 campuses.

Because of its acceptance by the schools and students, Compound also handles sponsored on-campus events, promotions, and PR and media campaigns.

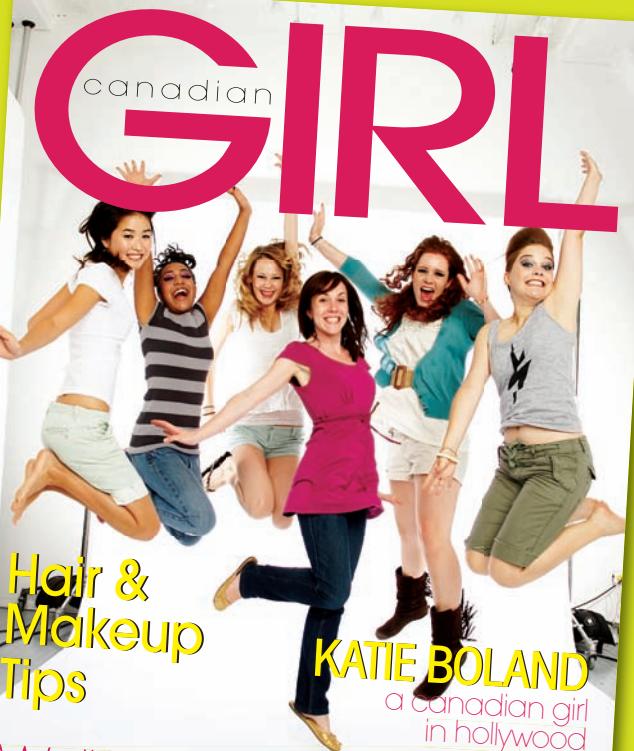
"The big thing about campuses is that whatever you do, it has to be sanctioned to get approval and buy-in. Guerrilla tactics will backfire on you."

Rosenberg says, "We also maintain a student advisory board – it's a paid position – and we have a number of students, most sitting on student unions across the country. We'll pitch ideas to them, show them creative beforehand, or get their opinions on different things. It keeps us to a reality check as well...because you're dealing with a very specific demo – they are extremely brand savvy, intelligent and they have a slight paranoia about marketers. They are looking primarily at what's in it for them and are probably a lot more aware than previous generations on that whole circle of advertising and marketing."



Above: 12,000,000 samples dispersed to students annually

Launching Spring '08



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Tips

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a canadian girl
in hollywood

Well Well Well



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free music
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"real girls,
real life"

Contact Heather Garand or Candice Kirkby at 416.466.4956 to get your sample issue.

MIR
Publishing and School Marketing

www.mircommunications.com

The TELETOON Tour

Engaging with kids where they live

The annual summer TELETOON Tour has been getting bigger and better every year since it began eight years ago. The 2007 tour was no exception and really took the event to a new level after the re-brand of the network in February and due in part to the activity created for tour sponsor, Wonder+, one of many activities available to families at the event. The footprint of the event greatly expanded to accommodate the Wonder+ Challenge, an entertaining sports-based activity that included hotdog bowling, hamburger golf and square bagel basketball.

While Wonder+ was the sole sponsor of the 2007 tour, TELETOON has opened up sponsorship for the 2008 tour to include multiple clients. As with Wonder+, the event is tailored to seamlessly integrate sponsors into the event as well as into all of the cross-platform promotion of the tour.

The TELETOON Tour travels across the country to 10 different communities each summer from July 1 to September 1. Cartoon fans and their families are invited to come out and meet the TELETOON Tour crew and get involved in an active event full of cartoon fun. They get a sneak peek of the new TELETOON shows for fall, take part in various activities and contests, and get in front of the camera in the TELETOON photo booth to have their photo taken in one of four of their favourite shows. They can play online games in the teletoon.com Play Tent and visit the TELETOON Animated Stage to win some great TELETOON swag and test their knowledge of cartoon trivia.

Reaching a core demographic of kids aged six to 13, the TELETOON tour has proven popular with the whole family. Jeff Gloven, event producer for the TELETOON Tour, says, "We had five year-olds dancing on stage this summer but we also had 50-year-olds. It's hard to say who had the better time. The parents really got into everything. At one point we had a few parents who thought they knew more than their kids about TELETOON trivia, and they actually beat the kids at their own shows."

The right venues and right timing to reach highschool seniors

With all of the challenges of reaching the youth market today, it's a pull, not push approach that works with kids, says David Diamond, co-founder of UTours Inc., push accentuates their natural skepticism, pull brings them to you. The integration of a product that is tied to fulfilling a real need of the students replaces skepticism for an honest evaluation of the benefits of the product and services being offered. Graduating high school and university students are entering a stage of change and independence. Reaching them at the right time, with the right product, with relevance is the key to imbedding loyalty not just in their student years but well beyond.

"They're very tech savvy," says Diamond, "To find the right channel to get through to them, the key thing for us was understanding them, their behaviour and consumption patterns. It's about being there at the right place, at the right time with a new, different and most of all relevant approach."

"We found that venue and timing is extremely important because you catch them at one venue and have their attention for five minutes; catch them in another, you get their attention for 15 seconds. You can have the best product, a product that is super relevant to kids but if you get them at the wrong venue or the wrong time, they can totally miss your message."

UTours has found the right venues and the right timing. The company, its product and sponsors are invited into high schools through guidance departments as well as



Above: 200,000 UTours™ What You Need To Know Before You Go DVDs with multiple sponsorship opportunities were distributed this year through guidance counsellors and the Globe And Mail

other experiential events pertaining to post-secondary school selection.

UTours has two products both of which are needed by the students, provide information, and is presented by peers which is consistent with their independence journey. The 2 disc set is designed to help students select the university that is right for them. It contains 5.5 hours of video tours through 20 schools and interviews with students at each one. The UTours *What You Should Know Before You Go* DVDs is distributed to over 200,000 students each year. This DVD is valuable to any student regardless of the university they ultimately attend. The advertisers' presence is woven into the sections appropriate for them and is part of the important messages delivered to the students by their peers.

UTours also conducts an annual research study, has a network of motivators and representatives on university campuses across Canada and offers consulting services to help clients understand where the youth are and how to interact with them above and beyond the UTours product.

Diamond adds, "What makes us unique is that we have a ticket into schools, and we have a reason to be there. The product we have is actually a service for students, so when we go to schools and events, we're able to deliver our sponsors' messages to a captive audience."



Left: Sponsor branding and messaging is directly inserted into UTours™ content, relevant to both students and parents

Talking to teen girls in their language

The youth market is one of the toughest to reach for advertisers, meaning that media vehicles with a direct connection to the target are in high demand. MIR Communications has built its business on this direct connection through magazines that are requested by and distributed through more than 2000 elementary schools across Canada. Next spring it is extending that reach to over 500 major market, urban public and private high schools and the teen girl demo that is so attractive to marketers.

There's a real disconnect between the achievements of Canadian teenage girls and the media that currently reaches them, according to



Michael Sheasgreen, president of MIR Communications and publisher of Canadian Girl magazine. That disconnect is something that Canadian Girl plans to address when it launches next March.

Left: Canadian Girl magazine helps foster positive self-image by featuring real Canadian girls and personalities.

"It's tough to buck the trend if you're a teenage girl today. If your friends dress provocatively, you want to dress like them. That peer influence is so huge," says Sheasgreen. "We'll give girls an option by presenting peers and other Canadian girls that are successful and because they are so influenced by their peers, we think we have an opportunity to help influence them in a positive way." Distribution

through schools means Canadian Girl doesn't have to dumb down its editorial to compete with U.S. and U.K. publications on newsstands, says Sheasgreen. Rather than talking about the latest fad diet, the magazine will talk about nutrition and will feature real girls, not celebrities.

Sheasgreen adds, "If you can create a magazine product that schools support, it gives you access to those readers in large numbers. If you have access, you need to make sure it's relevant content for the target. We've been lucky in our long history of working with schools to understand how to do it properly."



Above: Canadian Girl magazine is about limitless potential and endless possibilities -- a belief that anything and everything is possible

Increase your ROY

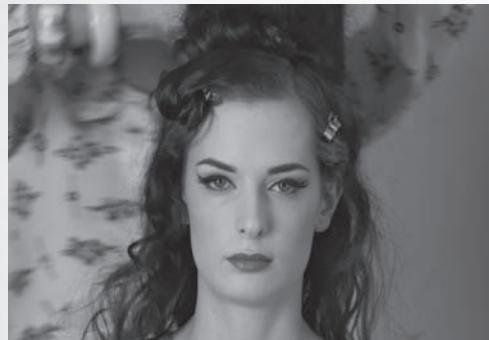
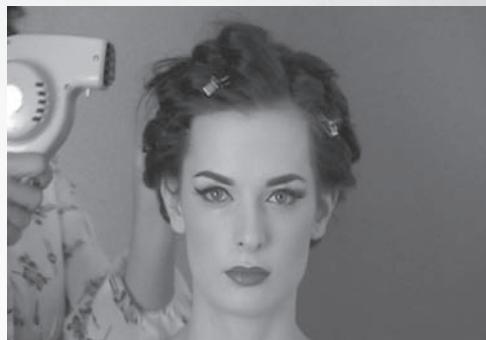
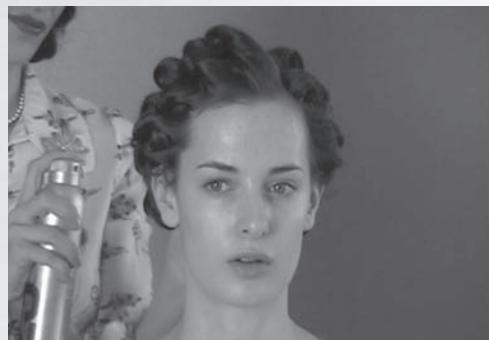
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Congratulations Dove on 50 years of real beauty from your friends at Ogilvy.



the evolution of Dove

Suddenly soap is old-fashioned!



Winter cold and winter winds can dry your skin. Dove never dries the way soap can. Dove creams your skin while you wash.

Prove it yourself with



THE WAY THE PAPERS TALK ABOUT IT, YOU'D THINK DOVE WAS AN AMAZING NEW PRODUCT

The New York Times, Jan. 15, 1955



'50s

'60s

'70s

'80s

'90s

'00s

As Dove celebrates its 50th anniversary, *strategy* examines how the brand has evolved from a bar of soap to a global master brand. Along the way, we look at how messaging to women has also evolved over this pivotal period in women's history

By Lucy Saddleton ▶

1957-1967

It was the patriarchal era of suited, Brylcreemed men smoking cigarettes, and perfectly groomed housewives eagerly flitting around with a feather duster – at least in the eyes of the media. Most advertisers of this decade approached “the weaker sex” with the condescending notion that they spent their days dreaming about new household appliances or preening themselves to please their husbands.

When Lever Brothers’ original Dove “beauty bar” first hit the U.S. market in 1957, ad messaging took a slightly different approach from the norm, focusing on the notion that Dove was “much better for your skin”

than soap due to its mildness and its content of “one-quarter cleansing cream.” Taglines such as “Suddenly soap is old-fashioned!” and “Dove creams your skin while you wash” pushed the product’s point of difference, together with its novel curved shape and simple blue-and-gold packaging featuring the original dove bird logo, which still appears on packaging today.

Black-and-white newspaper ads were used alongside the era’s new media, TV – all created initially by U.S.-based Hewitt, Ogilvy, Benson & Mather for Lever Brothers, then an American and Canadian subsidiary of Unilever, which formed in 1930 when Lever merged with Dutch co Margarine Unie. Many of the ads featured the image of cream being poured into the Dove bar to emphasize its moisturizing quality – another signature Dove image that remains a staple today.

One of the earliest print ads pictures an ecstatic woman reclining in a tub (fully covered by soap suds, of course), holding a Dove bar in one hand and a telephone receiver in the other. The display copy reads: “Darling, I’m having the most extraordinary experience.... I’m head over heels in Dove!” In smaller copy, the woman continues to gush at length about her “positively gorgeous” bathing experience in an amusing, over-the-top monologue: “Dove makes me feel all velvet and silk, all soft and smooth. Just the most pampered, the most spoiled, girliest girl in the world. Darling, I’m purring.”

During its first decade, Dove advertising focused mainly on the facial benefits of the product, with the introduction of the Dove Face Test campaign. Print ads and TV spots typically showed a close-up of a woman’s face as she washed half in Dove and the other half in regular soap, to promote Dove’s non-drying benefits. “Try the Dove face test and soon you’ll never wash with soap again,” reads the tagline in one such spot. At the time, Dove was offered in a plain white bar or a lightly scented pink bar.

Then, as now, advertisers often used celebrities to endorse beauty products. Curiously, Groucho Marx’s unmistakable mug was one of many famous faces used in Dove’s TV ads during the late 1950s and early ’60s.

In 1964, Ogilvy & Mather won the Dove account in Canada, although advertising during these early years was adapted from the U.S.

Never, but never, use soap in the winter

Winter cold and winter winds can dry your skin. Soap can make it worse. Dove never dries the way soap can. Dove creams your skin while you wash.

Prove it yourself with the Dove Face Test.



Early print ads worked to distinguish Dove from ordinary soap



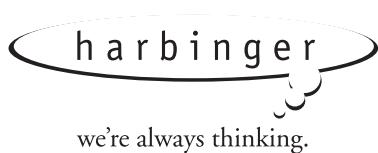
MILLION

It started with a simple beauty bar and a single life impacted by a message of positive self-esteem.

Today, we're changing the world and working to impact 5 million lives globally by 2010.

**Congratulations, Dove,
on another year of accomplishment.**

We're proud to have been with you every step of the way.
Your friends at Harbinger.



irageous honesty has helped us, and women all over the world, feel beautiful just as we are.  Thank-you for 50 years of fearlessly showing off these curves. Your bold, remarkable ideas have helped us spread these wings to become so much more than a bar of soap. You never pushed us.



comminswingrove

Davis

GOWLI

is to be something we're not, by making us thinner, up here, or giving us a sexy come-hither look here. You saw our real beauty, in a world obsessed with the size of what's here and ashamed to be round here, your co

NGS

habinger

we're always thinking.

Ogilvy

phd

Dove's "Litmus test" spots scored several awards including a Bronze Lion at Cannes

1987-1997

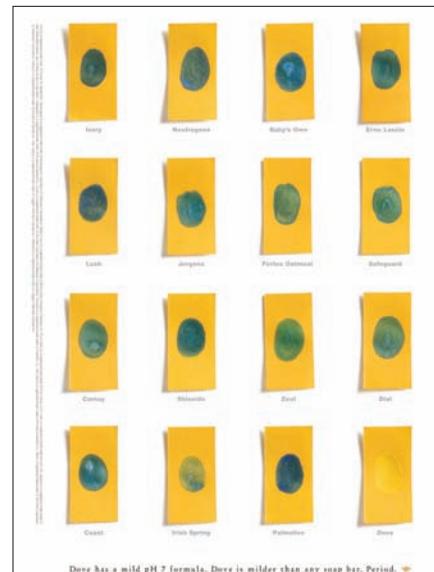
As witnessed in movies like 1988's *Working Girl* and 1997's *My Best Friend's Wedding*, women had it all, and if they didn't, were quite happy to take it. No longer content with her one-dimensional role, the "superwoman" character portrayed by many advertisers of this decade juggled a career with cooking, cleaning, raising kids, going to the gym and driving a super-fast car, all while maintaining her sex appeal, of course.

In the '80s, women in advertising moved from equals to aggressors. One 1987 print ad for Harley Davidson motorcycles shows how some advertisers were starting to ally themselves with the feminist mindset. It features a confident woman straddling her Harley. The tagline: "I Am Woman. Hear Me Roar." Smaller copy states: "A woman's place, we all know, is wherever she wants it to be."

Curiously, it was during the era of grunge that Dove started its global rollout, opening up to markets in 55 countries by 1994. By 1996 the brand was selling in over 80 countries and testimonials of non-believers converting to Dove were translated into numerous languages.

In the late '80s the testimonials evolved to the use of just one woman, giving a more detailed account of how Dove has improved her self-esteem as well as her skin. One such spot features "Jean Shy," who talks about a compliment she

In the late '80s the testimonials evolved to the use of just one woman, giving a more detailed account of how Dove has improved her self-esteem as well as her skin. One such spot features "Jean Shy," who talks about a compliment she



received on her skin after using Dove – the first sign of a shift towards promoting inner beauty.

The now famous "Litmus test" spots began in 1991, taking the brand one step beyond the dermatology ads of 1979 by offering visual, scientific proof of Dove's superiority. TV spots and print created by Ogilvy & Mather's Toronto office used Dove's low alkalinity as a selling point. The ads show close-ups of other soaps with litmus-paper readings of pH9.9 compared to Dove's pH7, which is neutral and closer to the pH of skin.

Messaging such as "Do you really need the alkalinity of a household cleaner to wash your face?" and "Dove is mildest. Bar none," had the desired effect, and the ads went worldwide.

In 1995 Dove made its first foray outside the cleansing bar category with the launch of moisturizing bodywash. This was supported by a sampling program in Canada as well as national TV and print featuring members of Canada's synchronized swimming team.

"The Dove team at Unilever has always had a really strong appetite to do things differently," says Janet Kestin, co-CCO at Ogilvy Toronto, who began working on the Dove account in 1991 and was part of the team that spearheaded the "Litmus" campaign. "Even back then we did a lot of things that were not classic use of media."

Timeline

1985

Scientists discover a hole in the ozone layer over the Antarctic; a Californian dermatologic surgeon fills a hole in the cosmetic market with the "Tumescent" liposuction technique, allowing fat removal under local anaesthetic; liposuction popularity expands rapidly, ditto ozone hole

- **1995**
- The DVD media format is announced,
- and is guaranteed to bring a clearer picture to your screen; in another attempt at de-fuzzing, the FDA clears
- laser hair removal
-
-

- 2002
- As man's quest to explore the unknown continues, NASA's Mars Odyssey space probe begins to map the planet surface; in support of the female quest for eternal youth, the FDA approves Allergan's Botox for the smoothing of furrowed brows – if we can't live on Mars, at least we Earthlings can look less worried about everything

just a few of the rewards for working on Dove



innovators • role models • revolutionaries

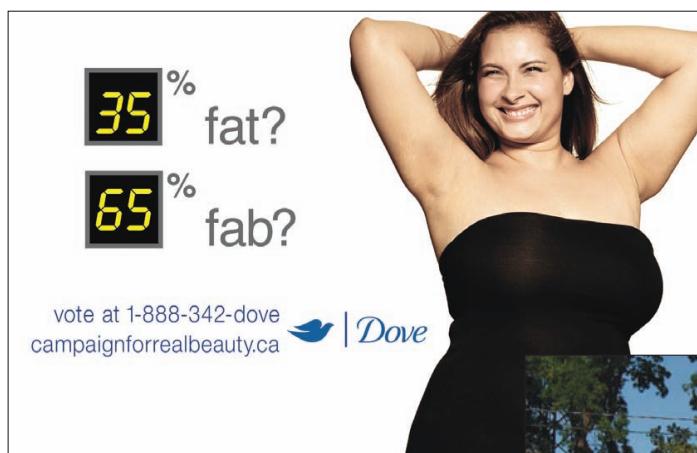
thank you for inspiring us
to inspire the next generation

your friends at



Tribute. Dove at 50

1997-2007



Interactive (above) and static (right) billboard advertising caused controversy around unconventional images of beauty

The Internet era opened up a whole new world of advertising opportunities with the launch of beauty websites, online purchasing and viral campaigns. Female representation is closer to reality, and women are being targeted in most market segments, though, some experts feel the age of sexist advertising has yet to end. Ogilvy's Kestin comments: "There is still a lot of advertising around that could have run in the '50s."



Dove launched a slew of new products in the late '90s: deodorants, body lotions, cleansers and shampoo. Hand- and face-care products followed in 2003, taking Dove from a single product to an entire beauty brand.

Following a global remit to widen the perception of beauty, Dove Canada created its own coffee-table book and travelling exhibition in which female photographers were invited to submit work portraying their idea of beauty.

Led by the Canadian market and aiming to challenge traditional stereotypes of beauty, the Dove Campaign for Real Beauty website launched in 2004. In support, tick-box billboards, created by Ogilvy on a global scale, rolled out across Canada. They featured pictures of everyday women along with two choices that consumers could use to interpret

their beauty, such as "Fat/Fabulous?" and "Withered/Wonderful?"

Toronto-based media agency PHD took the campaign one step further by erecting LED display boards in high-traffic locales in Toronto, inviting people to call a toll-free number and vote. The results were displayed in real time, and the idea was later picked up in the U.S.

strategy™ congratulates Dove
on making 50 fabulous
– and thanks the teams at
Unilever Canada and Ogilvy & Mather
for raising the (beauty) bar!

From the strategy team,

A collection of handwritten signatures in various styles, including cursive and block letters, representing the members of the strategy team.

luv ur :)



Send your friend a compliment. Text Dove to 12345 and your message may broadcast on TTC station screens from 2:30-4:30pm.



Standard text messaging rates apply. ©2007 November 10, 2007

Body lotions and hairstyling products hit the market in 2005, and in Canada the Dove Self-Esteem Fund was launched to combat eating disorders. Outreach efforts by Harbinger Communications and programs created by promo agency Capital C, both of Toronto, boosted consumer interaction with the brand, the Real Beauty platform and the Self-Esteem Fund. "Our office is responsible for a global remit on the Self-Esteem Fund," says Aviva Groll, account director for Dove at Ogilvy Toronto. "It's a result of the work we're doing locally that we've been asked to play a role on the global stage."

A personal wash line called Cool Moisture launched in 2006, together with handwash products, supported by a travelling photo exhibit in Canada.

In October 2006, Dove's "Evolution" viral film, created by Ogilvy Toronto, was first released on campaignforrealbeauty.ca and later on YouTube, and went on to become the hottest viral in the world within days. The film, which demonstrates the unrealistic portrayal of beauty in the media, scooped Grand Prix awards at Cannes Lions 2007 in the Viral and Film categories.

Another of Ogilvy Canada's viral films, "Onslaught," hit the site in October, provoking debate on self-esteem and body image by displaying a shocking torrent of media pressure juxtaposed with the innocence of little girls. The message, "Talk to your daughter before the beauty industry does," says it all.

On the same site is the film "Amy," in which a teen boy calls a girl who won't come out of her house. "Amy can name 12 things wrong with her appearance," reads the tagline. "He can't name one." In a twist, it allows the viewer to change the name the boy calls out, and forward that version to a friend.

According to Sharon MacLeod, marketing director for skincare products at Toronto-based Unilever Canada, the Internet will continue to play a bigger role in the marketing mix. "It makes the brand accessible to people whether they're in Saskatoon or Montreal or Toronto," she says.

Though the Dove bar remains unchanged and the non-drying strategy continues to sell the product, today's brand markets itself as a social activist. The latest OOH campaign invites people to send positive text messages like "Luv ur :)" – translation: "love your smile" – to friends. The success of the marketing is evident, as Dove is currently the world's number one cleansing brand, with sales of over \$2.5 billion U.S. a year in more than 80 countries. "Fifty years ago, women were just looking at product benefits," says MacLeod. "Today they want to affiliate themselves with brands that are doing something good." ■

Only Dove
is
1/4 cold cream



even the shape of Dove is new

CIRCA 1961

1957
TO
2007
CONGRATULATIONS
Dove
on 50 years from
Davis

AOY07



Four big awards. One big night. *Strategy's* Agency of the Year 2007 ceremony did not disappoint. DDB Canada (A) walked away with the coveted AOY title at the 18th annual awards, held at Toronto's The Next Level. In its second year, we crowned the B!G winner (for a second time, Sid Lee (N)), and, for the first time in years, introduced Media Agency of the Year (ZenithOptimedia (Q), again.) to the night's festivities.

Here's a recap of all the night's winners:

Agency of the Year Gold: **DDB** Silver: **Ogilvy & Mather** Bronze: **Taxi** Honourable Mention: **Zig** Finalists: **Rethink, John St.** B!G Awards Gold: **Sid Lee** Silver: **Cundari** Bronze: **Cossette Communication-Marketing** Media Agency of the Year Gold: **ZenithOptimedia** Silver: **MediaCom Canada** Bronze: **M2 Universal** Honourable Mention: **Mediaedge:cia** Media Directors of the Year (three-way tie): **Sunni Boot, president/CEO, ZenithOptimedia; Chris O'Hara, media director, Sharpe Blackmore Euro RSCG; Tatania Tucker, media director, Bensimon Byrne**



PHOTOS BY GARY LEUNG



A DDB Canada's Rob Whittle, national president, and David Leonard, Toronto president **B** Claude Carrier, president, Bos Toronto, with AOY judge Cintia Hudon, marketing manager, Liz Claiborne Canada **C** Co-host Paul LeBlanc, CEO, Extreme Group **D** Rob Guenette, president, Taxi Canada, and daughter **E** Phillip Crawley, publisher, *Globe and Mail*, with Hugh Dow, president, M2 Universal **F** Arthur Fleishmann, president, John St., Peter Bolt, partner/planner, John St., and Mark Wakefield, VP marketing, Ferrero Canada **G** David Carey, director of Toronto operations, Extreme Group with Scot Keith, GM, Lowe Roche **H** AOY judge Andrew Barrett, VP marketing, LG Electronics, and Geoffrey Roche, founder/CCO, Lowe Roche **I** Bruce Neve, SVP/MD, Mediaedge:cia, with Andrew Saunders, VP advertising sales, *Globe and Mail* **J** Chris O'Hara, media director, Sharpe Blackmore Euro RSCG **K** Andy Macaulay, partner, Zig **L** Steve Myklyn, ECD, Taxi Canada **M** Brett Marchand, SVP/MD, Cossette **N** George Giampuranis, CD, Sid Lee **O** Jack Neary, president/CCO, BBDO Toronto **P** Carlos Moreno, CD, BBDO; Tim Binkley, account manager, Taxi; Chris Pastirik, strategic catalyst, Dentsu **Q** Sunni Boot, president/CEO, ZenithOptimedia with prize and team **R** Extreme co-hosts Andrew Doyle, partner/president, and Shawn King, partner, VP/CD **S** *strategy* publisher Claire Macdonald with Mary Maddever, executive editor, at the podium **T** Tatania Tucker, media director, Bensimon Byrne





◀ By Ian Morton ▶

The birth of corporate social opportunity

Economist Howard Bowen published a book in 1953 called *Social Responsibilities of the Businessman*, which is often cited as the precursor to the modern concept of CSR. Some argue that CSR first appeared in ancient Greece. I would contend that this argument is as rhetorical as the concept of modern CSR itself.

CSR gained momentum in the 1970s, and by the 1980s, alongside REO Speedwagon and fad diets, emerged as a popular North American concept. Early out of the gate were some of the more sincere efforts by the likes of The Body Shop and Ben and Jerry's, but before long it became a buzzword that eventually buzzed its way into an empathetic abyss.

Today the CSR buzz is back, louder than ever. There is a whole lot of buzzing and a whole lot of reporting, but there doesn't seem to be a whole lot of honey being



PHOTO COURTESY OF THE BODY SHOP

The late Anita Roddick (seated at right) pioneered CSR with her work for The Body Shop produced. Part of the problem is that CSR is a term that means many things to many people, resulting in a lot of lip service and little impact on the pressing issues.

The word "sustainable" is applied without prejudice. Companies attach the term to efforts that keep their employees alive. Fair enough; it is much easier to sustain a business with live employees. It is also true that certain behaviours simply don't fly anymore, such as using child labour. This does not sit well with the consumer. In any case, human rights must be a given, not a brag-worthy marketing tool.

It seems to me that the majority of CSR activities involve a barrage of press releases yodelling each responsible action from the mountaintop. Yodelling is a difficult genre of song to understand. It gets attention, but what exactly is the yodeller trying to say?

This display of bragging and philosophical rhetoric is frequently showcased in a company's annual CSR or sustainability

to keep your eyes from glazing over every time you pick up a CSR report.

Let's call a spade a shovel here. There is no need to announce each time the CEO changes his socks and spin it as though he is doing his part to improve indoor air quality. We thank thee for changing thy socks, indeed, for the good of us all, but let's do away with exaggerations and erroneous

There is no need to announce each time the CEO changes his socks and spin it as if he is doing his part to **improve air quality**

report. These are the nice shiny brochures with smiling families or faded landscape scenes on the cover. Many give new meaning to the acronym CSR: Contrived Sustainability Report. They are full of nicely framed ideas and positions that the company takes philosophically, with charters and codes of conduct and commitments to sustainability.

In 2004, Mattel issued its first CSR report, along with a press release announcing its creation and encouraging other toy companies to follow its lead. It lists, among the company's core values, "unwavering integrity, taking ownership of all that passes in front of us, and being accountable for the results of the business and the development of our fellow employees."

But it's difficult to reconcile this statement with Mattel's recent product recall. It is interesting that a company that takes "ownership of all that passes" before them would attempt to pass responsibility for mistakes to the country that manufactured their product, to their specifications. (To be fair, Mattel later apologized to China, saying that 85% of the recall was due to its own design faults.)

It is not hard to see why public cynicism is rising. When you contrast the number of companies that preach caring with the actual results of their actions, it is difficult

claims. Let's do away with marketing behaviour that should simply be good business practice. It's time we start making the changes that we so earnestly talk about.

Compliance and cost savings have nothing to do with creating a market or driving social change. It's time CSR moved from corporate philanthropy to business strategy. Smart companies such as Home Depot, General Electric and Interface are market leaders in aligning their business and social investments into an integrated plan that achieves bottom line results and measurable improvements to the environment and society.

The opportunities to grow your business and make a difference are significant. It's time to look at problems as opportunities. We need to create opportunities to make real changes to business, society and the environment. We need champions to come out of the gate swinging, and we need leaders who are not afraid to put the work in to drive this vision into real action.

It's time to bury CSR, and embrace a new era of Corporate Social Opportunity.

Ian Morton is founder and CEO of the *Summerhill Group*, which develops programs that move the market toward better choices for consumers and the environment. www.summerhillgroup.ca



◀ By Brett Marchand ▶

Standing up for Canadian brands

The Institute of Communication Agencies has changed its name, set new priorities and updated its structure and leadership. Now it's focused on becoming a more forceful advocate for marketing and brands in Canada. Over the next few issues, ICA execs will discuss three key priorities: encouraging more original work in Canada, nurturing talent, and arguing the case for marketing's economic value. Brett Marchand, ICA chair and conspiring marketer on "The Rant," kicks things off

Over the past decade, the Canadian communications industry has been burnishing its image on the international scene, winning awards, being talked about and stealing the show at Cannes.

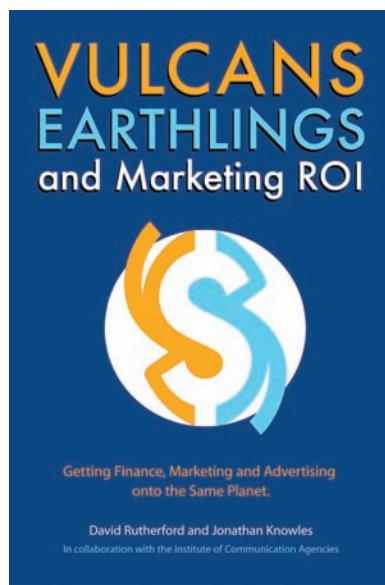
We're on the map.

Now the time has come for us to address our domestic industry needs. For some reason, Canadians are suspicious of marketing and promotion. So we need to help consumers and businesses understand the importance of marketing and brands.

The ICA has taken up the challenge to become a more forceful advocate. We want to stand up for Canadian brands, Canadian marketing, Canadian talent and Canadian ideas. First, we need to convince Canadian CEOs and leaders of foreign multinationals in Canada that marketing matters, and that investing in their brands here will bring not just short-term profit but long-term benefit to investors, shareholders and the Canadian economy.

To that end, the ICA intends to be more active. We're expanding the Future Flash seminar, and planning a week-long celebration of advertising next fall. We've collaborated with co-authors David Rutherford and Jonathan Knowles on *Vulcans, Earthlings and Marketing ROI*, a book about the value of investing in marcom to be published by the ICA and Wilfred Laurier University next fall.

We also need to encourage Canadian marketers to invest in Canadian-made advertising, because the volume of Canadian work is declining. Industry sources estimate that 10 years ago, about 70% of the ads on Canadian TV were produced domestically; today it's about 50%. And commercial production companies say Canadian work has been cut in half over the past decade.



The only way we can ensure spending on original Canadian creative work stays in the budget is if clients are convinced it makes good business sense. One way to promote the successes of brands built by original Canadian work is through a stronger Cassies. Why it isn't the most important awards show in Canada is beyond me!

We also need to explore other options, like Canadian content incentives. And we need to build closer relationships with our production partners. We're entering a critical stage in our talks with ACTRA. The ICA and ACA have agreed to come to the table with an interest-based bargaining team, which allows us to discuss key issues outside of the Collective Bargaining Agreement and get them resolved so we can move forward with a new agreement, which we hope to have in place next year. Our goal is to see more production at home

and more Canadian work running in Canada and internationally.

Our goal is to see more production at home and **more Canadian work abroad**

We also need to educate the next generation of marketers. The ICA has been active in training entry-level talent through the Communications and Advertising Accreditation Professional (CAAP) program, and recently helped develop the Marketing Communications Education Trust (MCET) and a marketing program at Wilfred Laurier University. We hope to offer a master's program in marketing communications at a Canadian university next year.

Still, when Interbrand and *Business Week* publish their annual rundown of best global brands by brand value, Canada always fails to make the list. Finland, the most sparsely populated country in the E.U., ranks in the top 10 with Nokia. South Korea makes the top 20 with Samsung and Switzerland has three in the top 50. Why is Canada nowhere to be found?

Imagine what it would mean to the community if a domestic brand were to shoot to the top the way O&M Toronto, Taxi, Zig and Cossette rose to the upper ranks this year at Cannes.

It would be a brand new story.

Brett Marchand is EVP of Cossette Communication Group in Toronto and chair of the ICA.

Set in a New York ad agency circa 1960, the critically acclaimed AMC series *Mad Men* has intrigued the adverati since it launched in July.

Since 32% of its 25-to-54 ad have household incomes over \$100,000, the show has a high rate of PVR viewing.

When season two bows next summer, the producers may respond to this adskip dilemma with an old-school, PVR-beating model.

Originally envisioned as ad-free, a combination of saucy content and first-season risk proved too scary for most brands – even a product placement deal with Jack Daniels had restrictions (no fighting or sex scenes). However, for the finale they were able to eschew advertising, featuring sole sponsor

DirecTV in a tailored opening.

We at *strategy* enjoy the show's relentless smoking, drinking and ad-great name-dropping, but frequently wish the female characters would haul off and smack those smug *Mad Men* with their Jackie O bags. So as the producers head deeper into the '60s next season,

we figured some woman-power-friendly sponsors and product placement deals – and plot lines – were in order.

To that end, we've asked a few Ad Women to come up with some ideas to integrate more female-centric plot twists.

AD WOMEN TAKE ON MAD MEN



SMOKIN' SEX

Surprisingly for a show called *Mad Men* there is a considerable amount of screen time dedicated to female story lines. We know all about these ladies – their struggles, their sex lives, their families and their neuroses. But of course, we always like to see more.

Now that Peggy's been promoted to junior copywriter, I'd like to see her working on Virginia Slims. She'd have to get to know the product, so she'd have to start smoking. (We could have had her smoking during her pregnancy, which would have been historically accurate, but that ship has sailed.) And of course, Peggy will come up with the brilliant tagline: "You've come a long way, baby."

For Betty, who has already had some intimate moments with her washing machine, and is aware of Don's infidelities, I'd like to introduce the Maytag repairman. He is a strapping young man whom she constantly calls to "fix" her appliances. Although he never finds anything wrong with her reliable appliances, he discovers that she is quite broken.

And to further spice up Joan, I'd give her the first Bullet Bra by Playtex. And maybe throw in a Stayfree beltless pad for good measure.

Judy John, SVP/CCO, Leo Burnett Canada

FOCUS GROUP HELL

I've always said that if I could travel in time, I would go back to the '60s and be a force in the Creative Revolution of the advertising industry. This show reminded me, however, that as a female and a visible minority, I'd be on a dirt road somewhere walking 10 miles to get water, while barefoot...and pregnant... and with 50 loads of laundry on my head. Oh, the benefits of being a Caucasian male at that time, and how uncomfortable for these women to work with them at a time when sexual harassment was considered a dirty bedtime game and not a lawsuit.

I like the idea of product placements that would make the men uncomfortable and Tampax is my pick. It would be pretty damn entertaining to see the men endure focus groups and listen to every excruciating detail of flowage, cramps and mood swings. Girl Power! The end result would be to have this product move away from being clinical and toward benefits to personal liberty as we know it today. Honestly, if this had already been part of the show, perhaps it would have clued in our gal Peggy!

Min Ryuck, interactive communications manager, Dentsu Canada

SUR-REALITY CHECK

Mad Men purports to take place at the cusp of the Creative Revolution, but it also anticipates the Sexual Revolution – which was announced shortly thereafter by *Time* magazine, I believe. A product placement that would provide an able counter-strike to the hijinks would be pantyhose – an invention that, I'm sure, slowed down sex in the workplace significantly.

I'd also like to have a word with the producers of *Mad Men* about the accuracy of their portrayal of the ad business in 1960. While I wasn't there – I'd like to make that eminently clear – a decade or so later I was around many who were. I consulted with a couple of them, and they had a thing or two to say about its veracity or lack thereof.

Here's Bob Levenson, creator of the original Volkswagen campaign and many other classics that started the Creative Revolution: "Veracity? There ain't none. What we were trying to do was make ads, make a little history and a little money. Some of us practised all kinds of sex, but none of us invented it. It would be pretentious to say that we changed business practices and communications techniques for all time. Except that we did. And they missed it."

Here's Ed McCabe, partner and CD, Scali McCabe Sloves, weighing in as only Ed can: "I think it stinks. Has nothing to do with the way things were."

And this I know:

In 1960 the Volkswagen campaign was already in full swing.

In 1960, creative departments were populated by some high-powered, well-paid women (just as they were in the '40s and '50s). Women like Mary Wells, Phyllis Robinson and Shirley Polykoff.

In 1960, even the hack ad agencies occasionally produced ads.

I guess you could say the closest these producers got to the advertising business in developing *Mad Men* were the bait and switch tactics used to promote it.

Joan McArthur, partner & trainer, 27 Marbles/OCAD prof

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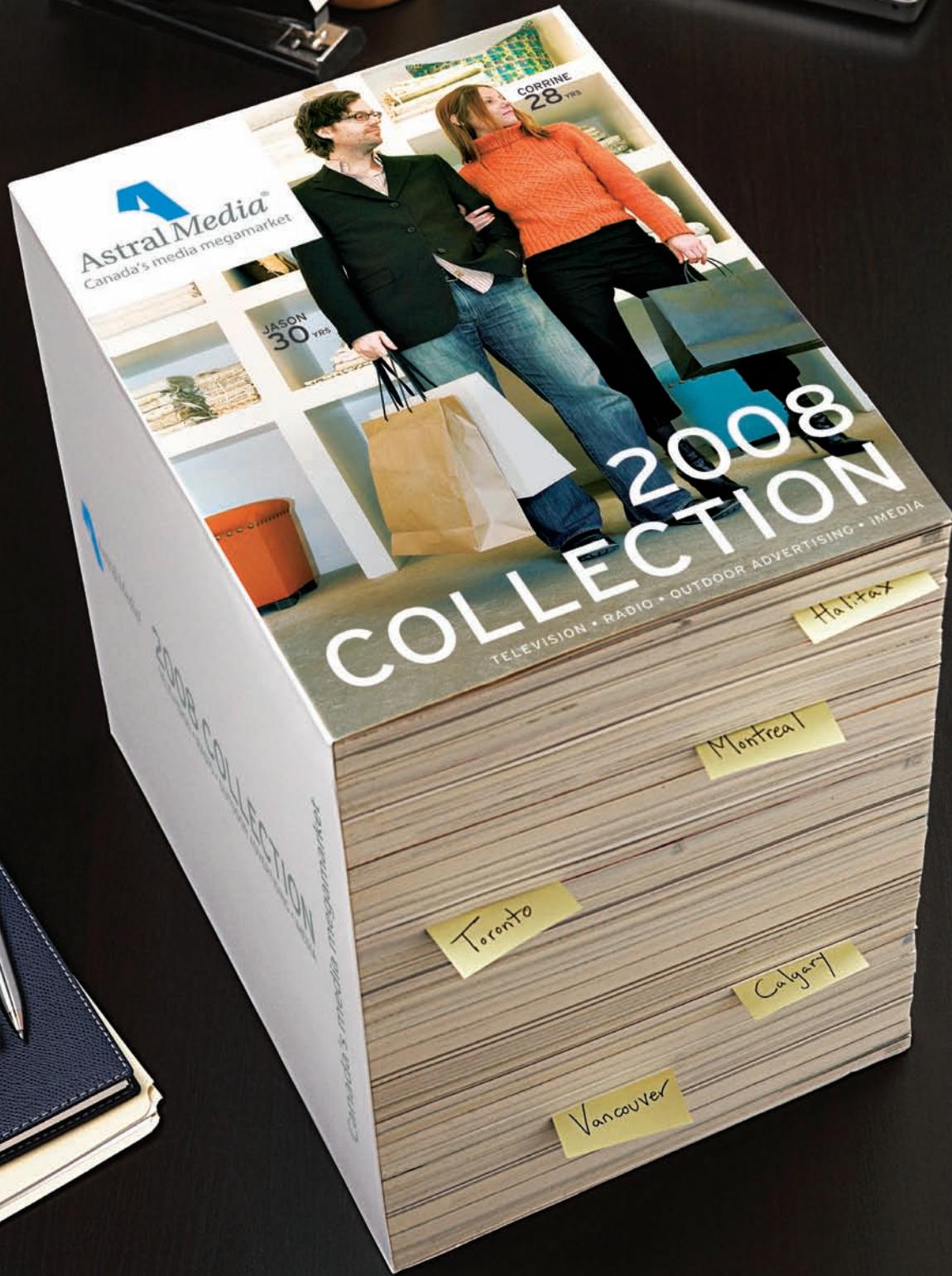
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